APPENDIX D

AGGREGATE DATA ANALYSIS OF THE PRE-REFORM PERIOD

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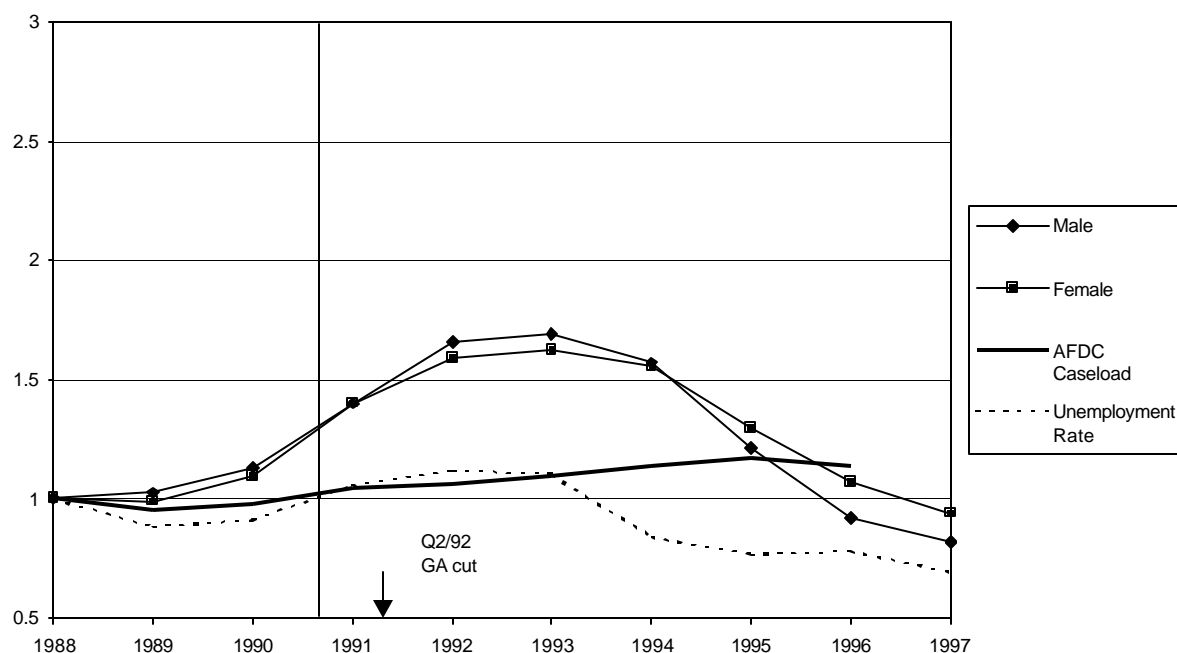# TABLE OF CONTENTS

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Appendix Exhibit D.1:
Adult SSI Disability Application Indices in Illinois, 1988 – 1997

A. By Sex (age adjusted)
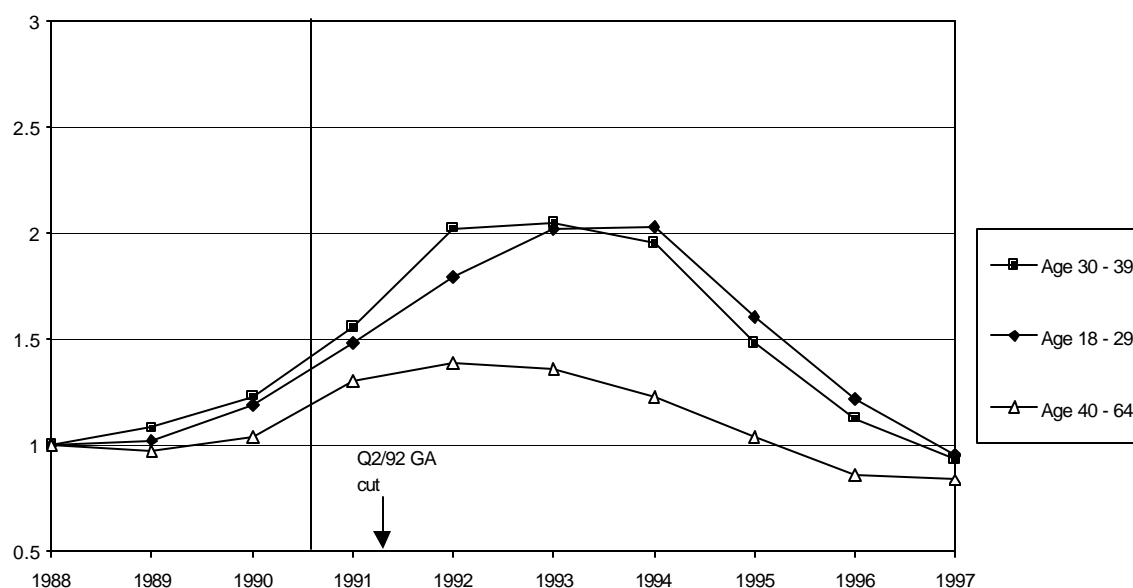
B. By Age

Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

Illinois implemented four statewide welfare reform demonstration projects before the passage of PRWORA. Two of Illinois' demonstration projects focused on increasing the self-sufficiency of AFDC families. The first of these demonstrations, the Work Pays Project, was approved in November 1993 and was implemented shortly thereafter. Work Pays instituted substantial earnings disregards for use in determining eligibility and calculating payments as well as liberalized the gross income test used in determining eligibility. The new payment determination process disregarded two-thirds of an eligible family's gross earned income. The second demonstration, Work and Responsibility, was initially approved in October 1995, with additional provisions being approved in August 1996. Work and Responsibility limited AFDC payments to a total of 24 months without earnings for households whose youngest child was at least 13 years of age. Work and Responsibility also required that AFDC applicants, who were determined to be job ready and whose children were between the ages of 5 and 12, participate in job search activities for up to six months. Collectively, the Work Pays and Work and Responsibility Demonstration projects encompassed many of the policies that were eventually included in Illinois' TANF program. It is unlikely that the other two demonstration projects, the School Attendance Demonstration, which was approved in September 1995, and the Six-month Paternity Establishment Demonstration, which was approved in June 1996, had any effect on SSI applications or program participation.

Appendix Exhibit D.2:
Adult SSI Disability Application Indices in Iowa, 1988 – 1997

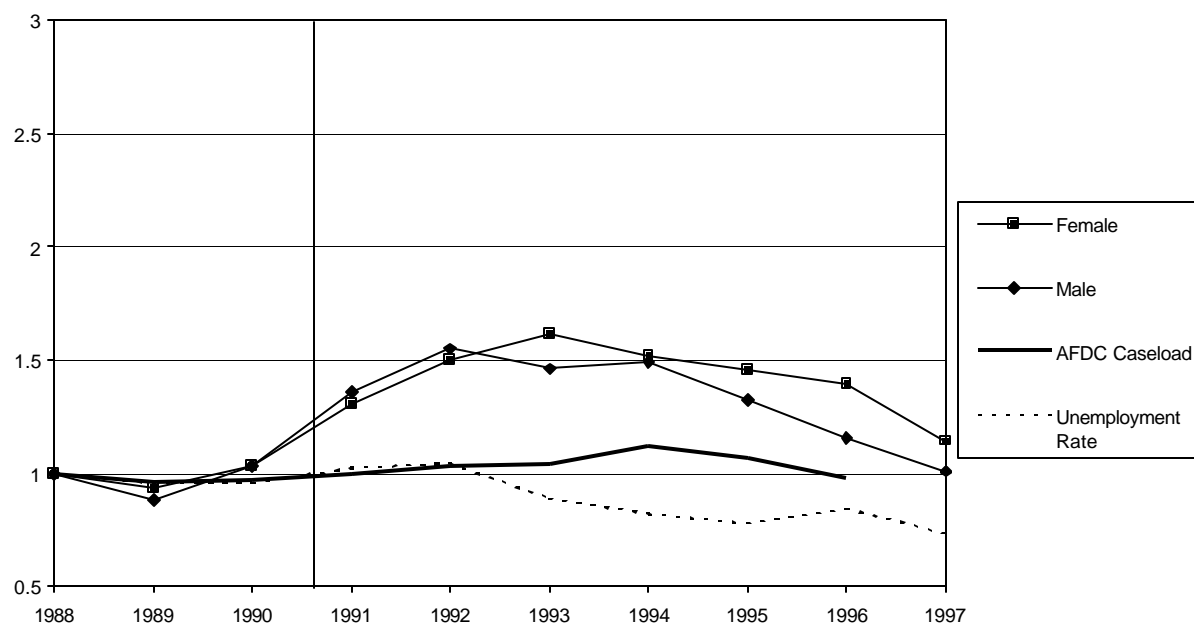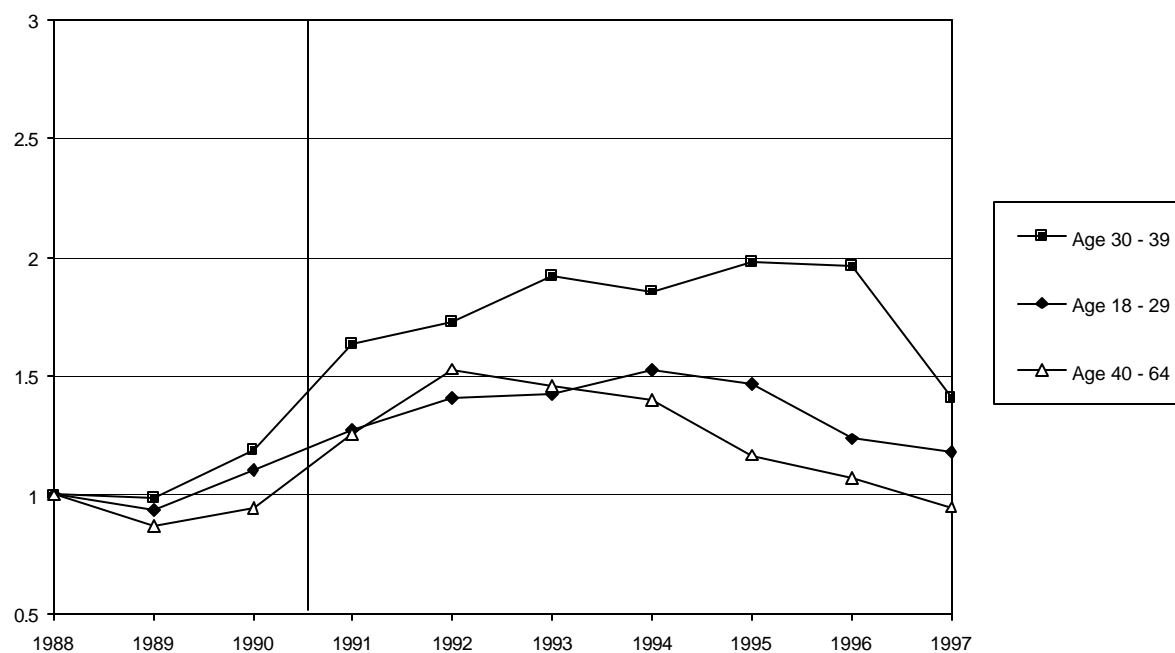### A. By Sex (age adjusted)

B. By Age

Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

Iowa's current TANF program, Family Investment Plan (FIP), is actually extension of a welfare reform effort dating back to 1993. FIP seeks to promote self-sufficiency by providing generous earnings disregards and expanded resource limits for both applicants and participants. FIP also requires most parents to develop a self-sufficiency plan. These plans include an individually based time frame for achieving self-sufficiency. Families failing to meet the self-sufficiency time frame risk losing their eligibility for cash assistance and are unable to re-apply for six month. Families who fail to meet the self-sufficiency time frame, but have demonstrated satisfactory effort towards meeting their goal, are eligible to have their time frame extended.

Appendix Exhibit D.3:
Adult SSI Disability Application Indices in Michigan, 1988 – 1997

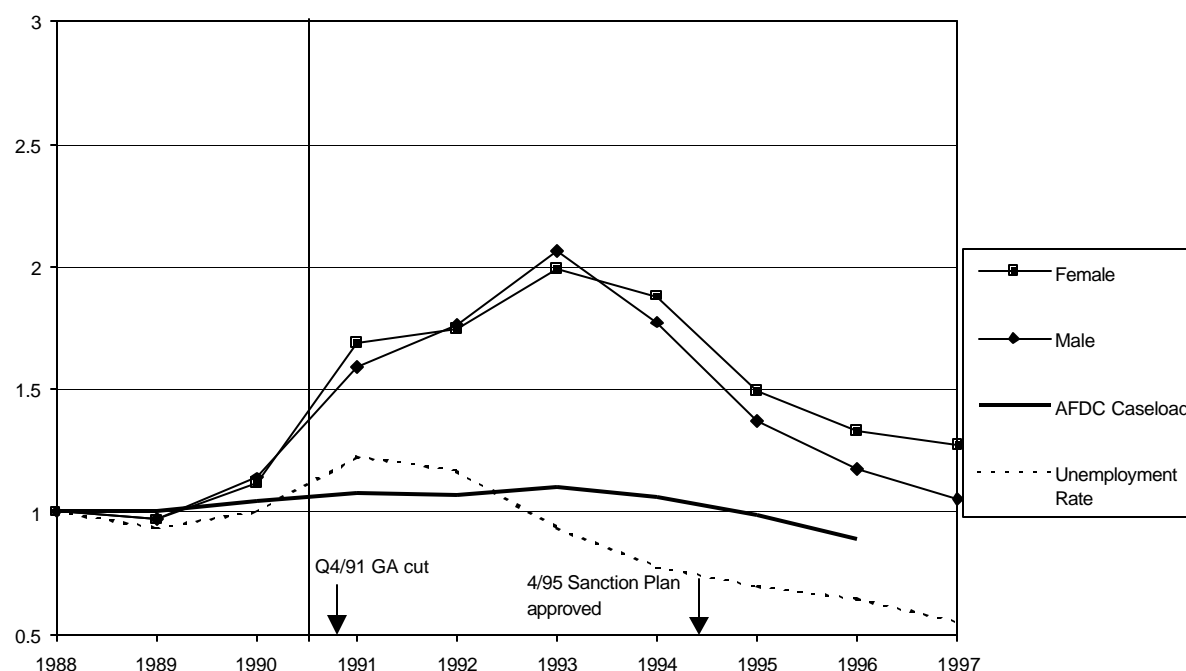## A. By Sex (age adjusted)
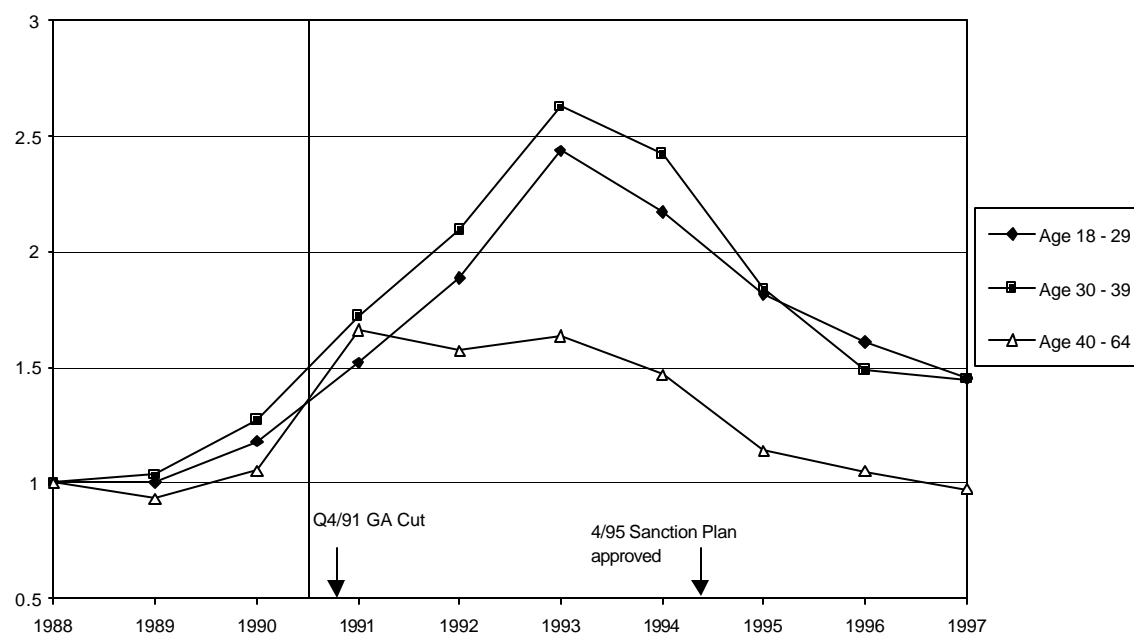
B. By Age

Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

Michigan received a series of federal welfare reform waivers between 1992 and 1996 that together constituted the To Strengthen Michigan Families (TSMF) program. The principle focus of the first waivers implemented statewide in October of 1992 was the provision of transitional assistance in support families in their efforts to achieve increased self-sufficiency. This program included work incentives in the form of transitional child and medical coverage for families that were no longer eligible for cash assistance due to earnings. In April 1995, the State received approval to sanction AFDC participants who did not cooperate with employment training requirements included in the 1995 waiver. Such sanctions entailed AFDC and food stamp grant reductions of 25 percent. In instances where AFDC participants failed to comply for a period 12 months, the State completely ended AFDC payments to the entire family. State law exempted certain AFDC recipients from the stricter work requirements, including severely disable recipients; caretakers of a severely disabled child or spouse; recipients employed 20 or more hours per week; minor parents; and pregnant women. Michigan replaced its AFDC and TSMF programs with the Family Independence Program in October 1996.

Appendix Exhibit D.4:
Adult SSI Disability Application Indices in Ohio, 1988 – 1997

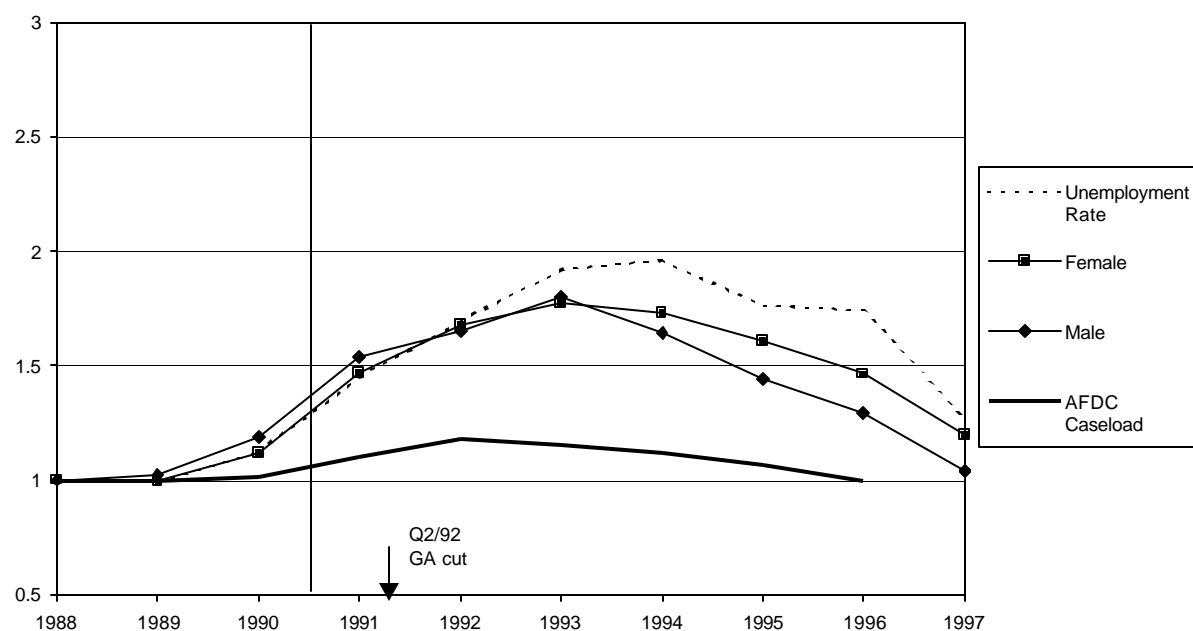**A. By Sex (age adjusted)**

B. By Age

Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.
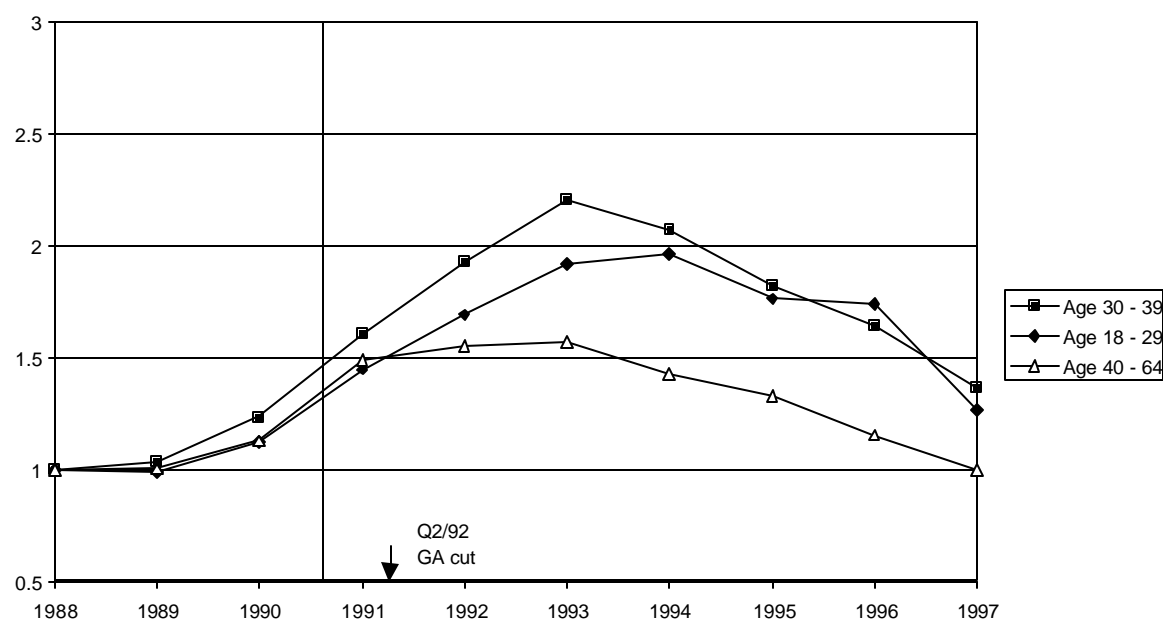
Ohio implemented a significant welfare reform initiative under federal waiver authority in July 1996. This initiative, Ohio First, provided significant incentives for employment including up-front job assessment and job search and expanded earned income disregards. Ohio First also limited benefits to all AFDC recipients, beginning in August 1996, to no more than 36 months of assistance in any 60-month period. After the passage of PROWRA, Ohio continued to operate its welfare program under the Ohio First waiver authority until the State implemented a new TANF program, Ohio Works First, in October 1997.

Appendix Exhibit D.5:
Adult SSI Disability Application Indices in Wisconsin, 1988 – 1997

A. By Sex (age adjusted)
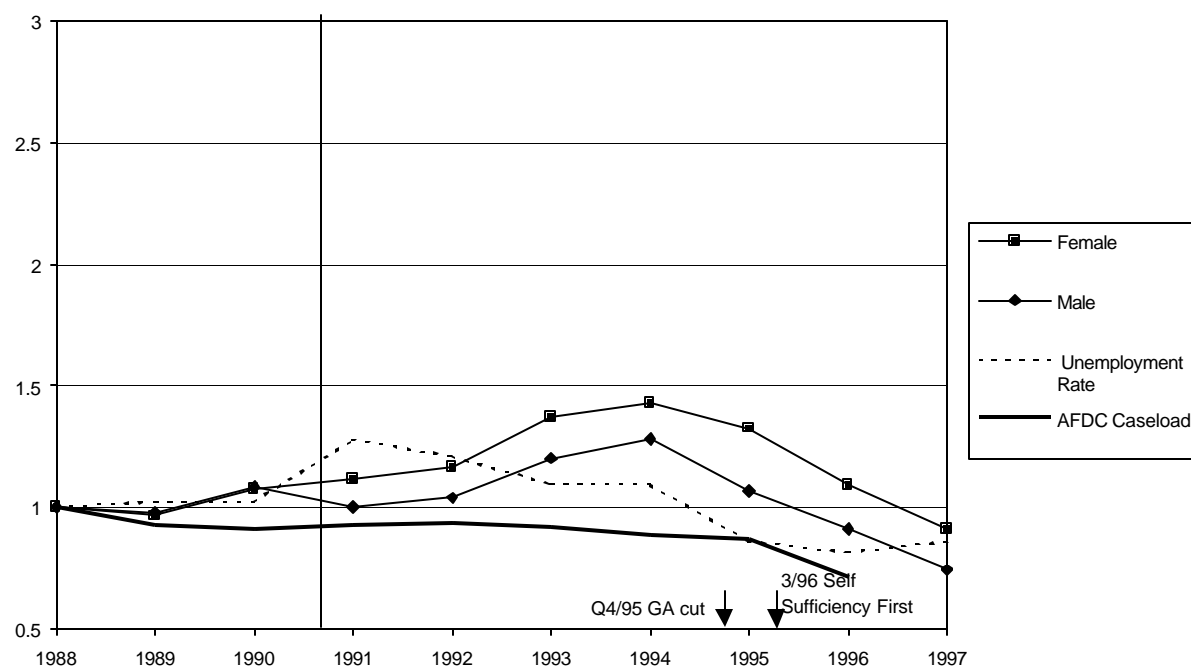
B. By Age

Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.
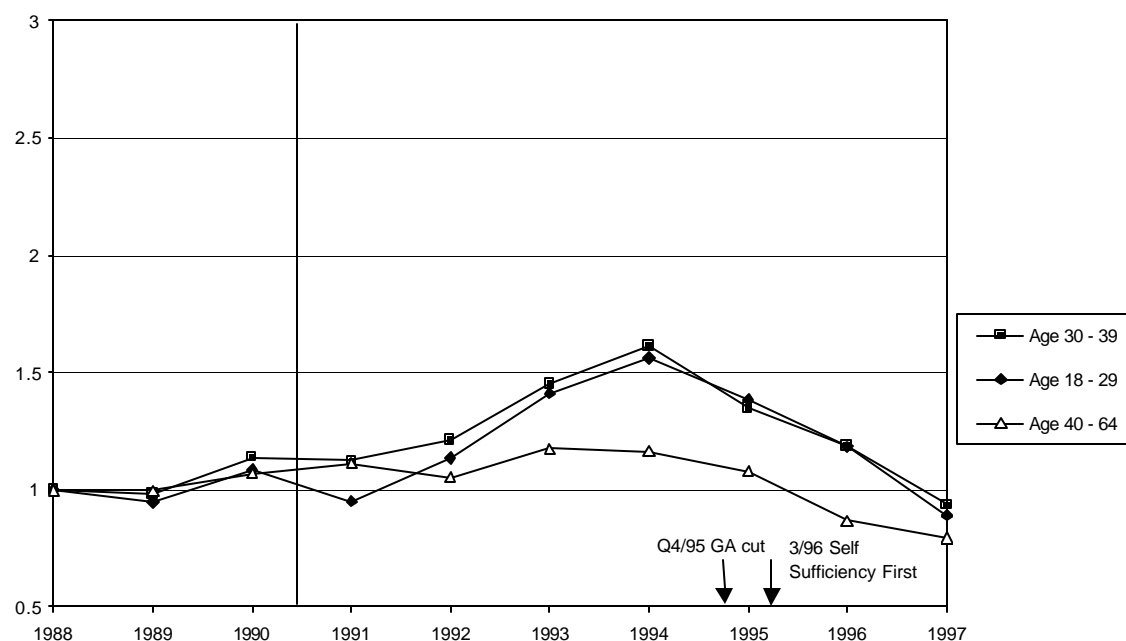
Wisconsin began its transition to an employment-based welfare system with the implementation the federally approved Work Not Welfare demonstration project in Fond du Lac and Pierce Counties in January 1995. Work Not Welfare incorporated time-limited benefits and an immediate emphasis on returning to work or receiving the education and/or training necessary to join the workforce. Under this program, participants were not permitted to collect cash benefits for longer than 24 months and were required to begin working, or training necessary for work, within one month of the initial grant. After one year, participants were expected to be working in a private sector job or working in a sponsored public sector job in exchange for benefits. The State implemented the Work Not Welfare program statewide in March 1996, changing the name of the program to Self-Sufficiency First (SSF). In addition to carrying on the work requirements and time limits established under Work Not Welfare, SSF also mandated immediate referral to and enrollment in the JOBS program and set minimum standards of compliance with the JOBS program. SSF was also designed to explore alternatives to AFDC recipiency prior to enrollment in the program. At the same time it implemented SSF, the State also implemented its Pay for Performance (PFP) waiver. PFP replicated the workplace by requiring participation in the JOBS program in exchange for benefits. Clients were required to participate in JOBS activities for at least 20 hours a week but no more than 40 hours per week, where their grant was a function of the number of hours "worked." Participants who failed to meet these standards faced grant reductions equal to the minimum wage for each hour of noncompliance. Wisconsin operated its welfare program under its federally approved waivers until September 1997, when it implemented its TANF program, Wisconsin Works.

In contrast to the rest of the country's, Wisconsin's age-adjusted AFDC caseload index declined throughout the period under review. Wiseman (1996) thoroughly reviews the many policy changes that were implemented in Wisconsin over these periods. In summary, he concludes that much of the decline was due to benefit reductions that began in 1986, and a strong economy. We reached the same conclusion in a pooled time-series analysis of AFDC caseloads through 1994. It is possible that the AFDC benefit cuts in Wisconsin induce applications for SSI throughout this period. The benefit cuts were so gradually, however, it seems unlikely that we could detect the effect (see Wiseman, 1996).

A first wave of independence-oriented policy changes, beginning in 1987, may have had some impact on the caseload, but were more focused on helping recipients increase their earnings than on sanctioning those who failed to try, in part through Wisconsin's version of the JOBS program. A second wave of policy changes was initiated in 1994. Most prominent is the Work Not Welfare demonstration project, which was implemented in Fond du Lac and Pierce Counties in January 1995. Work Not Welfare incorporated time-limited benefits and an immediate emphasis on returning to work or receiving the education and/or training necessary to join the workforce. Under this program, participants were not permitted to collect cash benefits for longer than 24 months and were required to begin working, or training necessary for work, within one month of the initial grant. After one year, participants were expected to be working in a private sector job or working a sponsored public sector job in exchange for benefits. The State implemented Work Not Welfare statewide in March 1996, changing the name of the program to Self-Sufficiency First (SSF). In addition to carrying on the work requirements and time limits established under Work Not Welfare, SSF also mandated immediate referral to and enrollment in the JOBS program and set minimum standards of compliance with the JOBS program. SSF was also designed to explore alternatives to AFDC recipiency prior to enrollment in the program. At the same time it implemented SSF, the State also implemented its Pay for Performance (PEP)

waiver. PEP replicated the workplace by requiring participation in the JOBS program in exchange for benefits. Clients were required to participate in JOBS activities for at least 20 hours a week but no more than 40 hours per week, where their grant was a function of the numbers of hours "worked." Participants who failed to meet these standards faced grant reductions equal to the minimum wage for each hour of noncompliance. Wisconsin operated its welfare program under its federally approved waivers until September 1997, when it implemented its TANF program. Wisconsin Works.

Appendix Exhibit D.6:
Adult SSI Disability Application Indices in Connecticut, 1988 – 1997

A. By Sex (age adjusted)
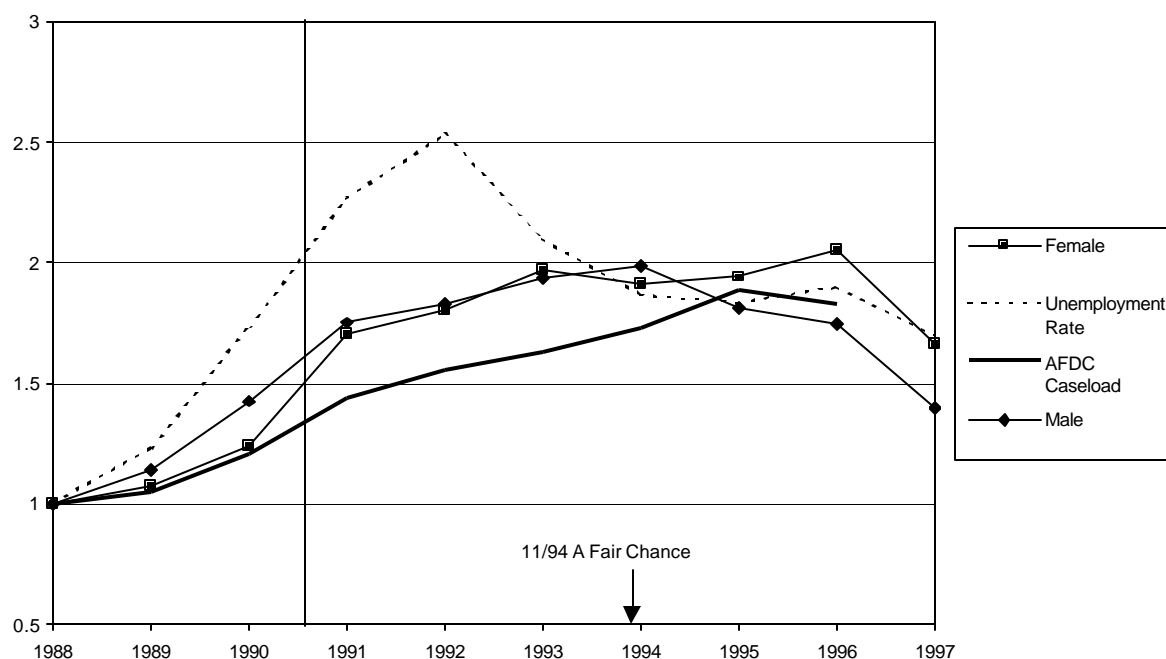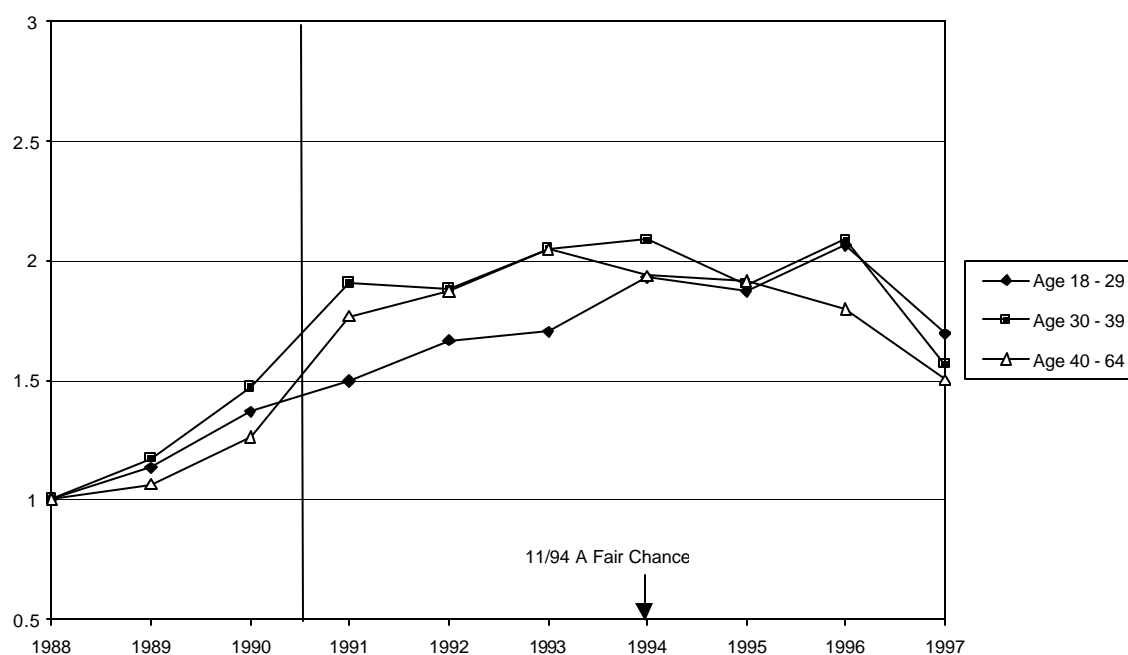
B. By Age

Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

Connecticut began its welfare reform activities with the statewide implementation of its federally approved waiver program, A Fair Chance, in November 1994. A Fair Chance required work activity after 24 months of participation, starting with part-time work and requiring an increasing number of hours of employment as length of participation increased. The state provided subsidized employment opportunities to assist persons to re-enter the labor force. The program also introduced more liberal resource limits, removed time limits on earnings disregards, and extended the period of eligibility for transitional childcare and medical benefits to two years. JOBS exempted AFDC participants were exempted from the work requirements of A Fair Chance. In January 1996, Connecticut implemented a more comprehensive welfare reform program, Reach for Jobs First. This program limited AFDC payments to all mandatory JOBS participants to no more than 24 monthly payments in an 84-month period. State law exempted incapacitated adults, adults over 60 and adults caring for children under one year of age from the benefit time limit. In addition, Reach for Jobs First provided enhanced work incentives in the form of earnings disregards, transitional childcare and Medicaid, and job search and training assistance. Reach for Jobs also instituted a family cap providing only half the increase that normally would be granted for an additional household member to families who had children while on welfare.

Appendix Exhibit D.7:
Adult SSI Disability Application Indices in Massachusetts, 1988 – 1997

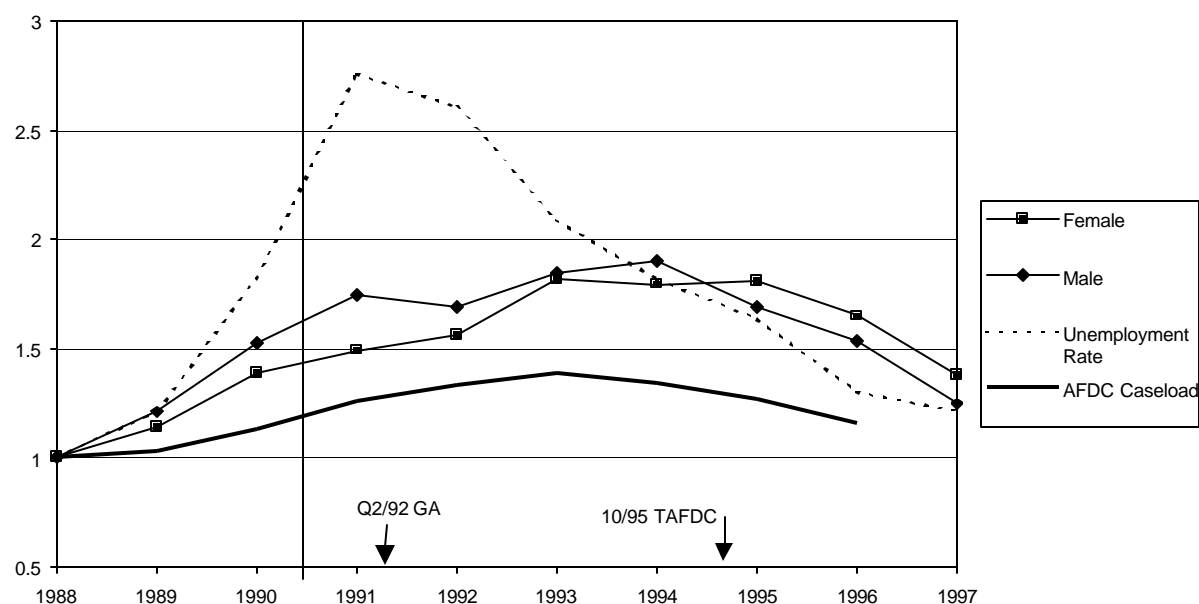### A. By Sex (age adjusted)

B. By Age

Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.
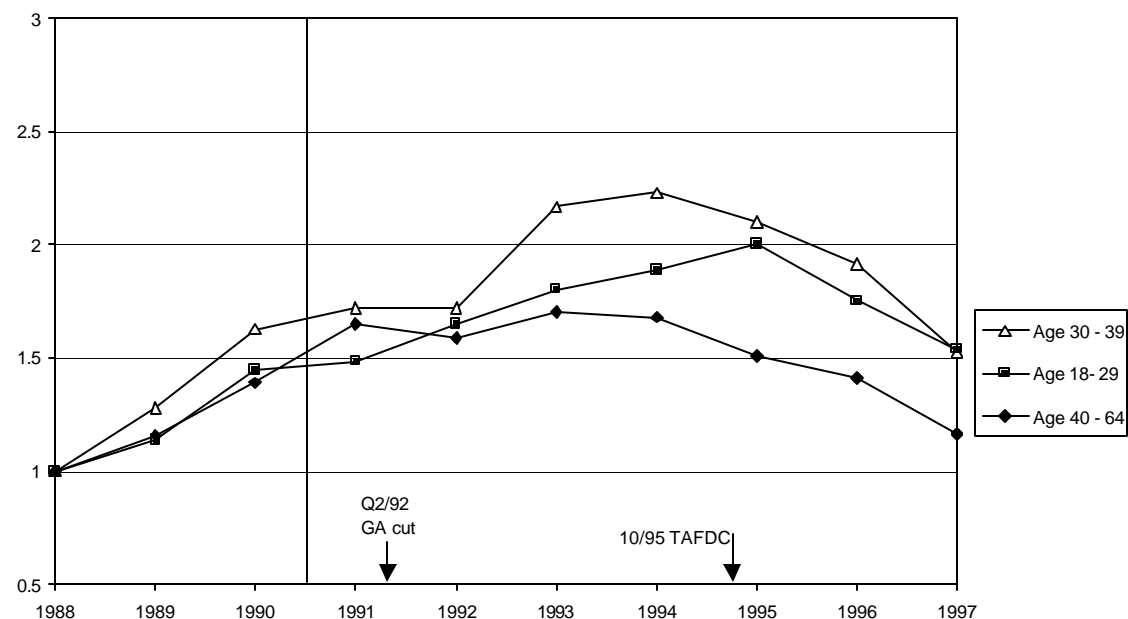
Massachusetts implemented its Transitional Aid to Families with Dependent Children (TAFDC) under federal waiver authority on November 1, 1995. The TAFDC program is the basis of the State's existing TANF program. TAFDC limits cash assistance to 24 months in a 60-month period for all non-exempt recipients. Exempt recipients include disabled parents, parents caring for disabled children, parents under 20 attending highs school, and certain pregnant women and mothers with young children. In addition, TAFDC significantly modified AFDC benefits and eligibility rules. These changes included an expansion of the allowable level of assets; a family cap that provides no additional benefits for children born to recipients; and tightened paternity establishment and child support requirements. Perhaps most significantly, TAFDC requires all able-bodied TAFDC parents who are non-exempt and whose youngest child is of school age to work 20 hours per week. The program further requires that Able-bodied parents who seek but are unable to find employment spend a minimum of 20 hours in a community service position or some combination of work and community service.

Appendix Exhibit D.8:
Adult SSI Disability Application Indices in New York, 1988 – 1997

A. By Sex (age adjusted)

B. By Age

Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

New York's first welfare reform demonstration project, the Child Assistance Program, began in 1988 as a voluntary alternative to AFDC. The Child Assistance Program entailed: expanded the earned-income and assets disregards; cash-out of Food Stamp and child care benefits; changes to benefit levels; transitional Medicaid eligibility; and strong incentives for welfare clients to obtain child support orders. Beginning in April 1994, the Child Assistance Program was operating in 14 sites throughout the State, including Brooklyn. In October 1994, New York gained DHHS approval to initiate a second demonstration, the Jobs First Demonstration, in six sites, including Erie County (Buffalo), Onondaga County (Syracuse), and Brooklyn. This demonstration was to provide enhanced work incentives as well as welfare diversion assistance. The extent to which this program was implemented prior to the passage of PROWRA is unclear.[71]

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[71] According to Michael Wiseman of the University of Wisconsin, implementation of Jobs First was on hold as of June 1996.

Appendix Exhibit D.9:
Adult SSI Disability Application Indices in Pennsylvania, 1988 – 1997

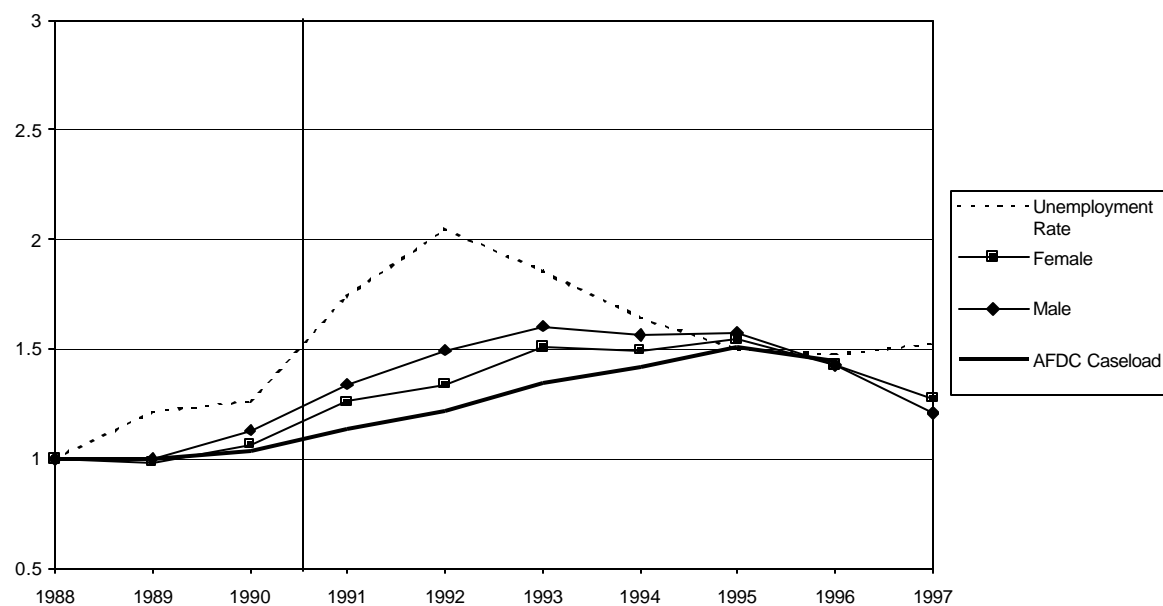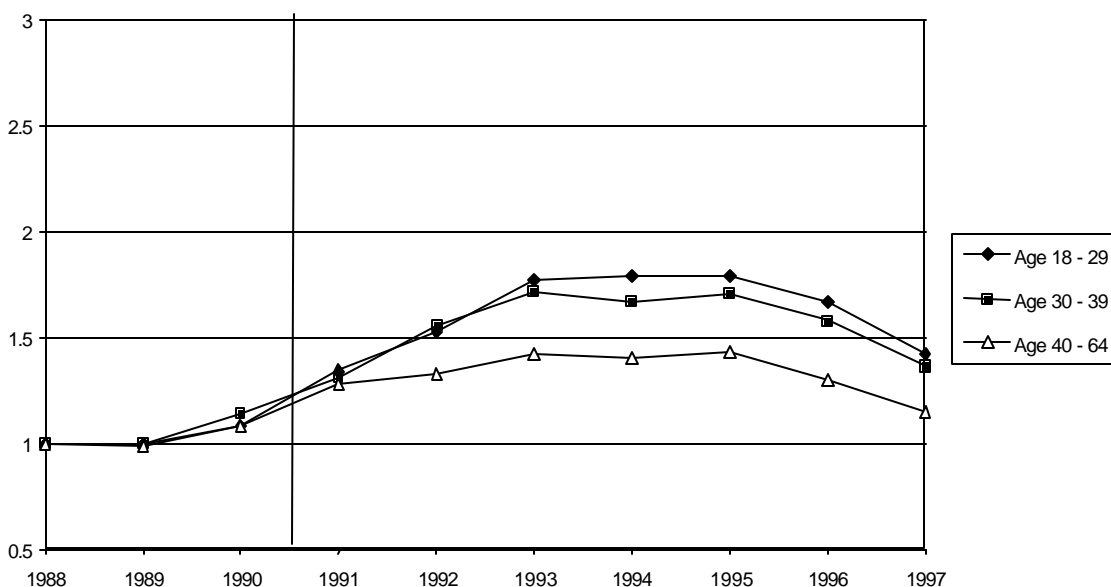### A. By Sex (age adjusted)
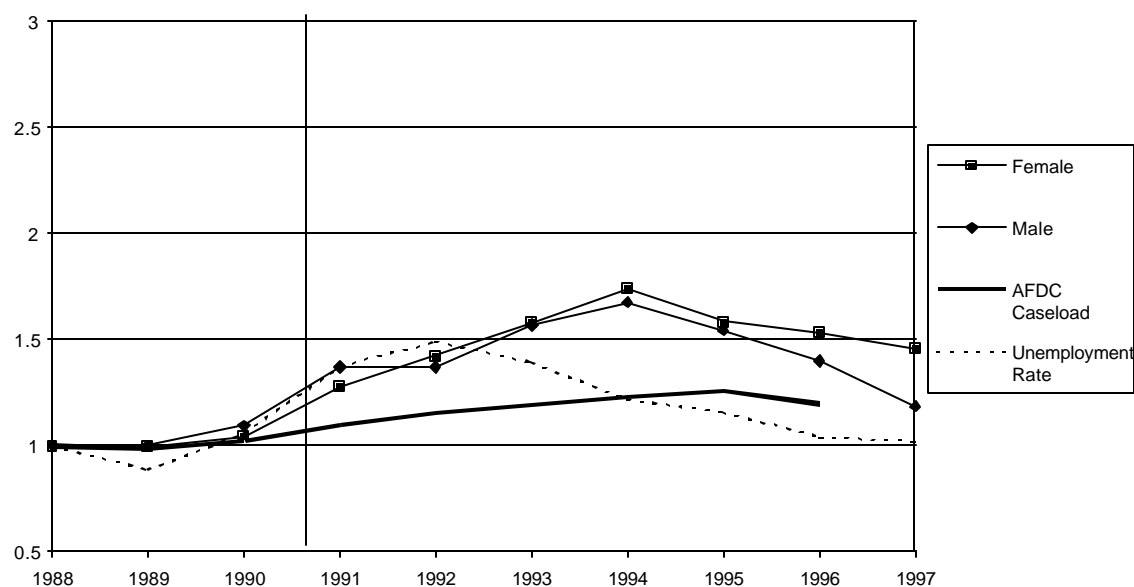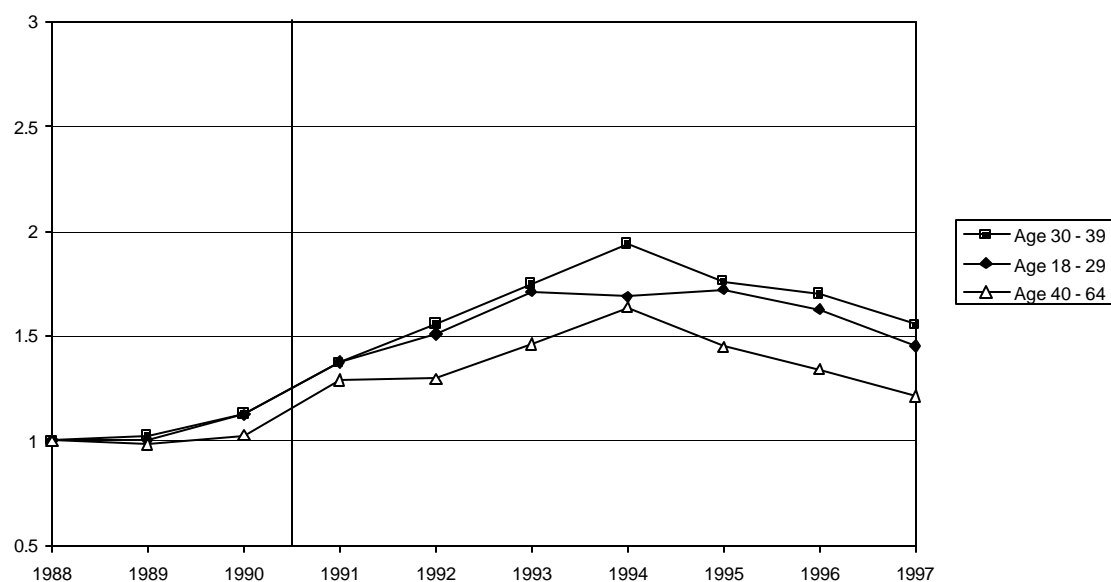
B. By Age

Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

Pennsylvania received a waiver in November 1994 to implement the Pathways to Independence Program as a pilot program in Lancaster County. The extent to which this program was implemented prior to the passage of PROWRA is unclear.[72]

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[72] According to Michael Wiseman of the University of Wisconsin, implementation of Jobs First was on hold as of June 1996.

Appendix Exhibit D.10:
Adult SSI Disability Application Indices in California, 1988 – 1997

A. By Sex (age adjusted)
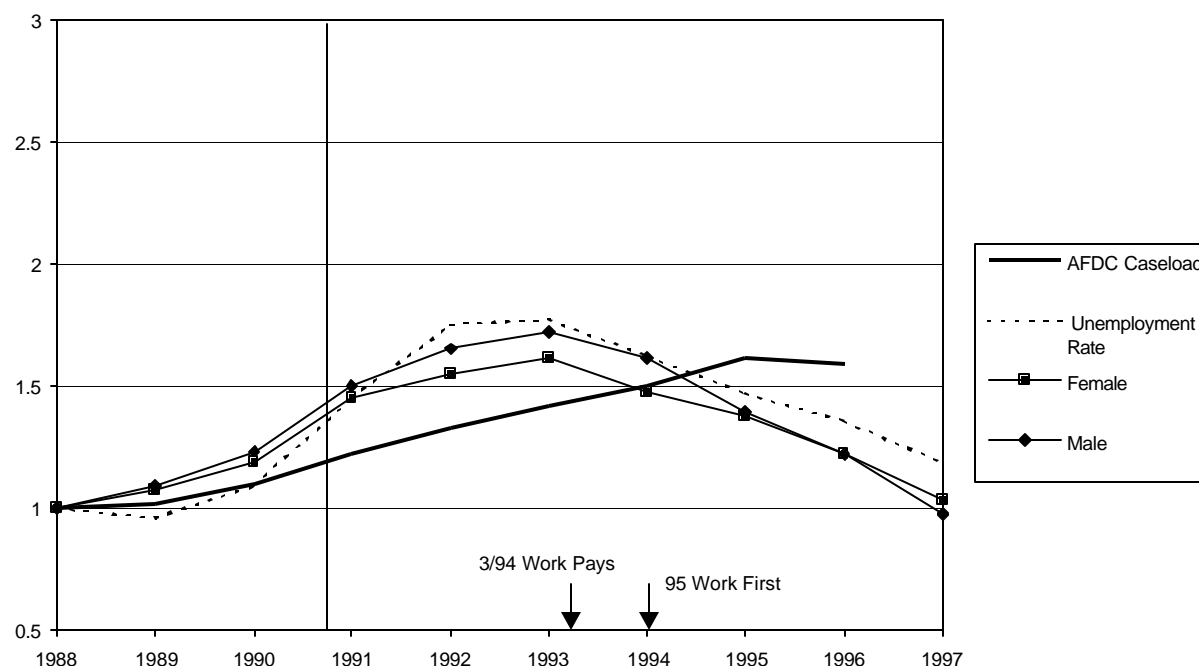
B. By Age

Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

Prior to the enactment of federal welfare reform in 1996, California received and implemented four Section 1115 waivers for initiatives facilitating the movement of welfare recipients into the workforce. The most significant of California's Section 1115 waivers was the California Work Pays Demonstration Project. This statewide demonstration project included modifications to both the State's AFDC and JOBS programs. The most significant of the modifications included: expanded income and asset disregards; transitional childcare and Medicaid; an AFDC diversion program; a family cap barring benefit increases for children conceived while a family was receiving AFDC; and a requirement that all AFDC parents not exempted from GAIN and who had received AFDC for 22 of the last 24 months participate in 100 hours of community work experience per month. In 1995, the state legislature further mandated that all counties adopt a "work-first" model for their JOBS programs. The legislation also tightened the rules for granting parents with young children exemptions from GAIN and strengthened the ability of counties to sanction AFDC recipients who were required to participate in GAIN, but did not participate.

Appendix Exhibit D.11:
Adult SSI Disability Application Indices in Oregon, 1988 – 1997

A. By Sex (age adjusted)
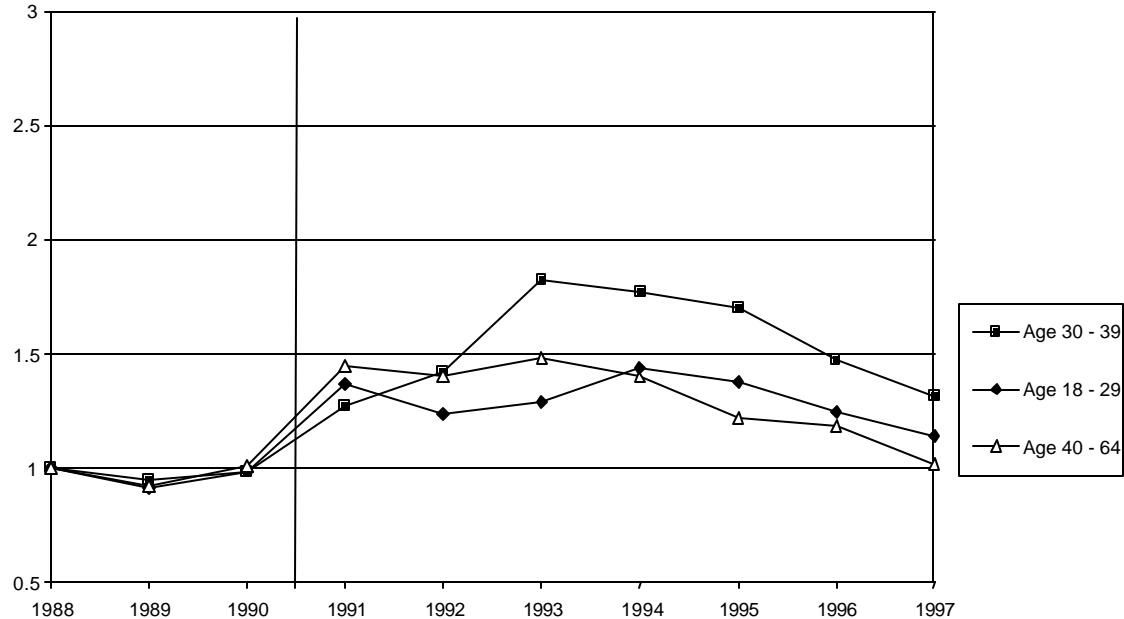
B. By Age

Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

Oregon received federal waiver approval for the Oregon Option in March 1996 and implemented the program shortly thereafter. The Oregon Option consolidated job demonstration pilot programs approved in 1992 and 1994, implementing them statewide along with several other reforms aimed at promoting self-sufficiency. Currently, the Oregon Option waiver is also the basis for the State's TANF program. The Oregon Option limits AFDC payments to no more than 24 out 84 months for families with employable parents. State law provides for a few exceptions to this provision, including parental incapacity, and allows case managers some latitude in determining whether a family should continue to receive assistance. The Oregon Option work program places participants in short-term public or private on-the-job training at the state minimum wage. It also provides enhanced work incentives in the form of increased asset disregards and transitional childcare. Accompanying these work incentives is the possibility of full family ineligibility for continued failure to comply with JOBS requirements.

Appendix Exhibit D.12:
Adult SSI Disability Application Indices in Washington, 1988 – 1997

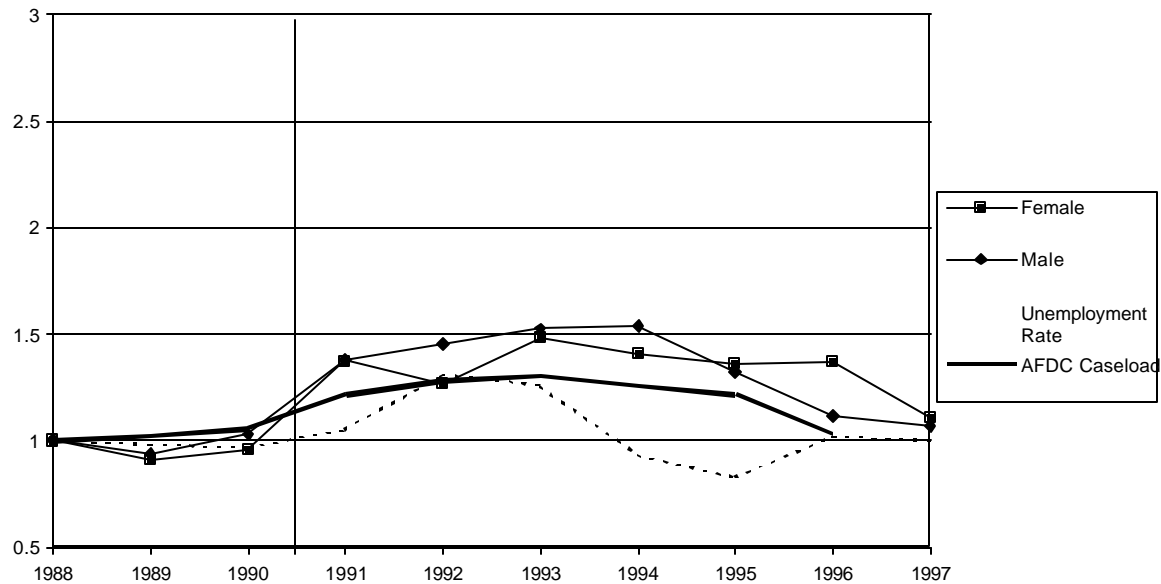### A. By Sex (age adjusted)

B. By Age

Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

Washington received federal approval for its waiver program, Success through Employment Program (STEP), in September 1995 and implemented the program one-month later. The key component of STEP was a 10 percent grant reduction for AFDC recipients who had receive assistance for 48 out of 60 months. In addition, the program imposed an additional 10 percent reduction for every additional 12 months' of benefit receipt. Exempted from this penalty were participants working more than 30 hours per week, incapacitated participants, participants caring for incapacitated family members and families with children under the age of three. State law also allowed for extension of the time limit if participants showed a "good faith effort" to find work or if no jobs were available.

Appendix Exhibit D.13:
Adult SSI Disability Application Indices in Florida, 1988 – 1997

A. By Sex (age adjusted)
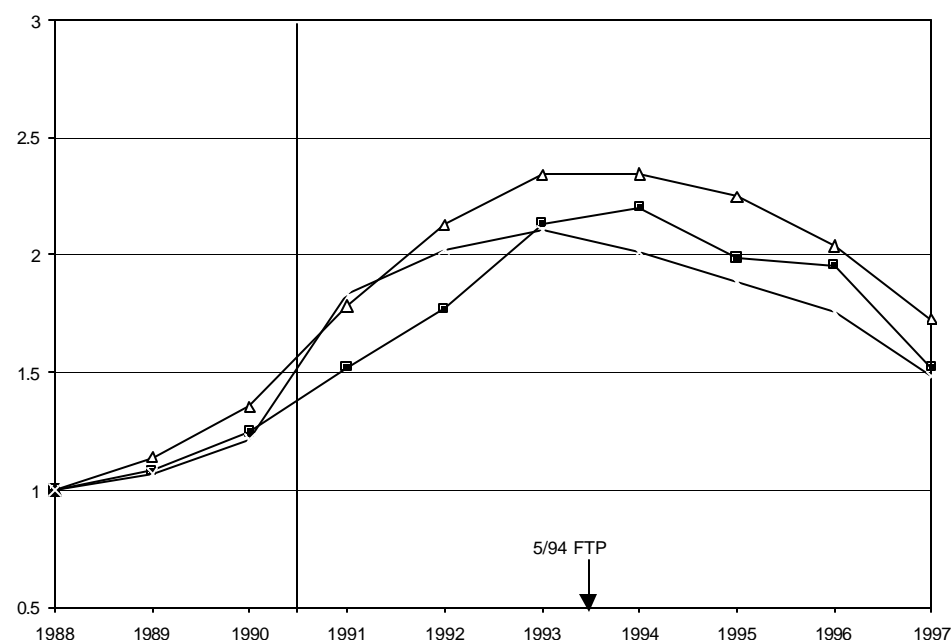
B. By Age

Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

In May 1994, Florida implemented the Family Transition Program (FTP) under a federally approved waiver in Escambia and Alachua Counties. FTP combines time limited cash assistance with an array of enhanced services, parental responsibility requirements, and financial incentives designed to help recipients find and hold jobs. State law exempted several types of AFDC recipients from random assignment into either the study or the control group, including disabled or incapacitated adults and full-time caretakers of disabled dependent persons. In September 1995, the state received HHS approval to expand the program to six additional counties. The passage of the Work and Gain Economic Self-Sufficiency (WAGES) Act in the spring of 1996, however, resulted in the state abandoning FTP in Alachua County and the six add-on counties. FTP continues to operate in Escambia County as a demonstration project and will continue to operate through December 1999. FTP anticipated many of the welfare reform provisions included in PRWORA and also served a model for WAGES, Florida's statewide welfare reform that was implemented in October 1996.

Appendix Exhibit D.14:
Adult SSI Disability Application Indices in Georgia, 1988 – 1997

A. By Sex (age adjusted)
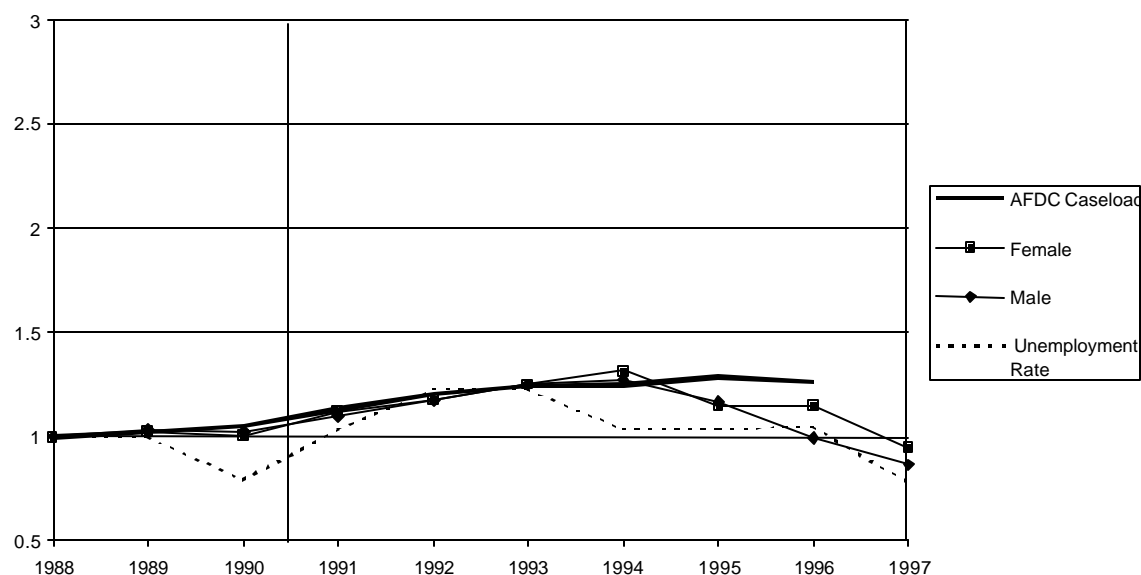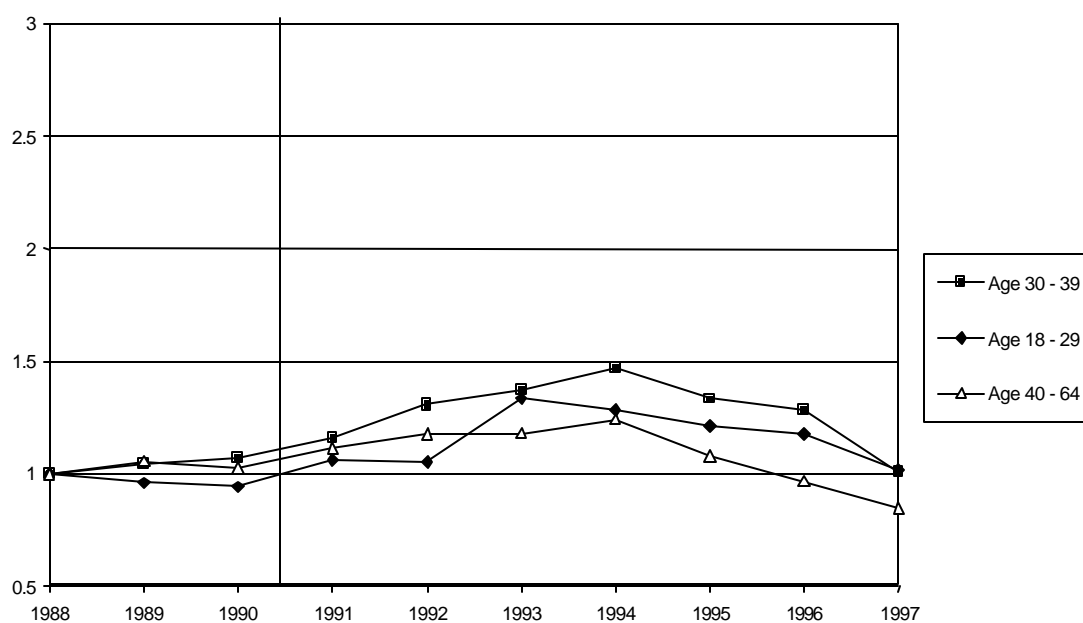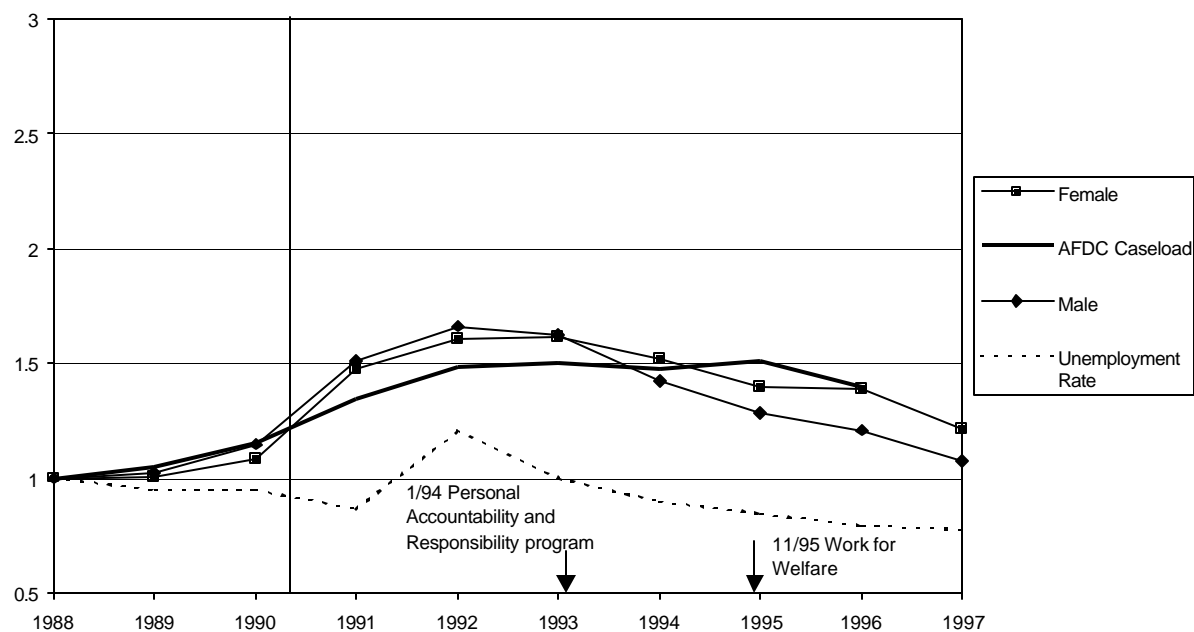

B. By Age

Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

In November 1995, Georgia implemented its Work for Welfare Project as a pilot program in 10 counties. As of 1993, these counties accounted for over 141,000 AFDC cases.[73] This pilot required adults who had received aid for 24 of the prior 36 months to participate in 20 hours of work and/or job search activities per week. The program exempted all JOBS exempt AFDC recipients, families with children under age five, and adults already participating in JOBS. The Personal Accountability and Responsibility Project, an earlier statewide waiver, approved in November 1993, eliminated increases in AFDC benefits for children conceived while a family was receiving AFDC. It also required that able-bodied adults with no children under the age of 14 accept full-time employment. Refusal to accept full-time employment risked the adult's removal from the assistance unit.

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[73] Presentation by Michael Wiseman, University of Wisconsin given at the National Association of Welfare Research and Statistics, 1996 Annual Workshop.

Appendix Exhibit D.15:
Adult SSI Disability Application Indices in Texas, 1988 – 1997

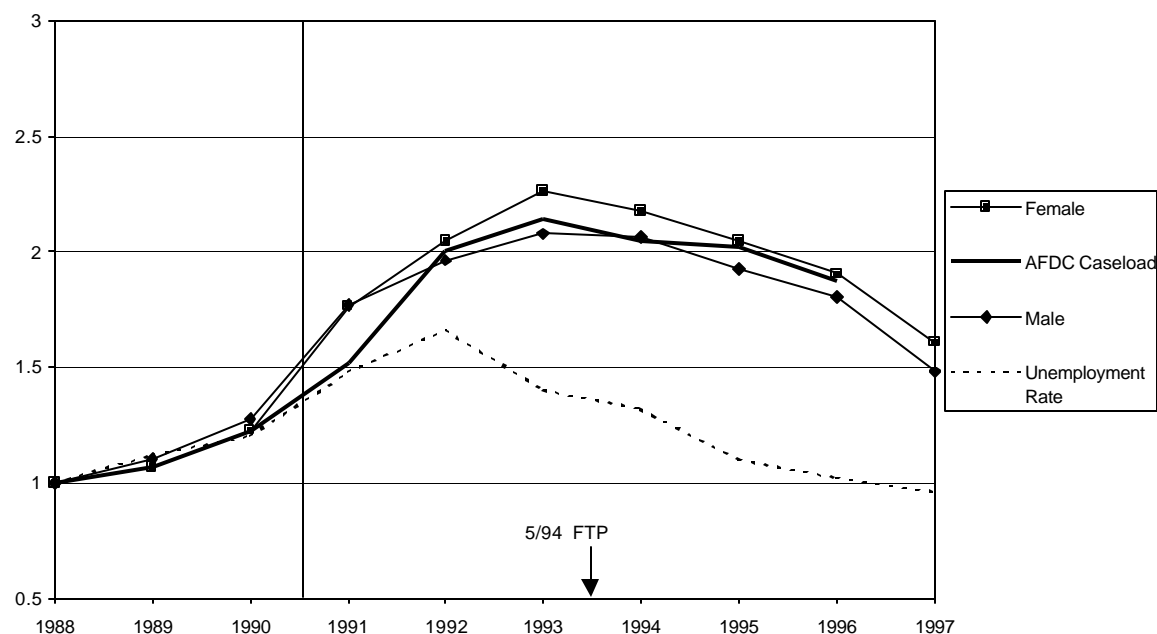### A. By Sex (age adjusted)
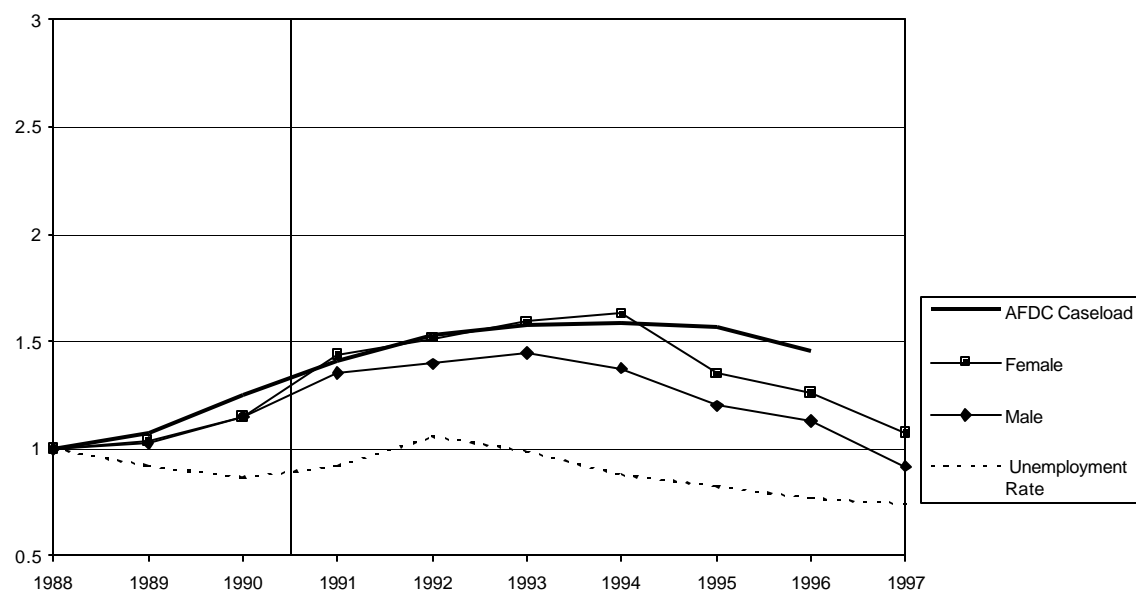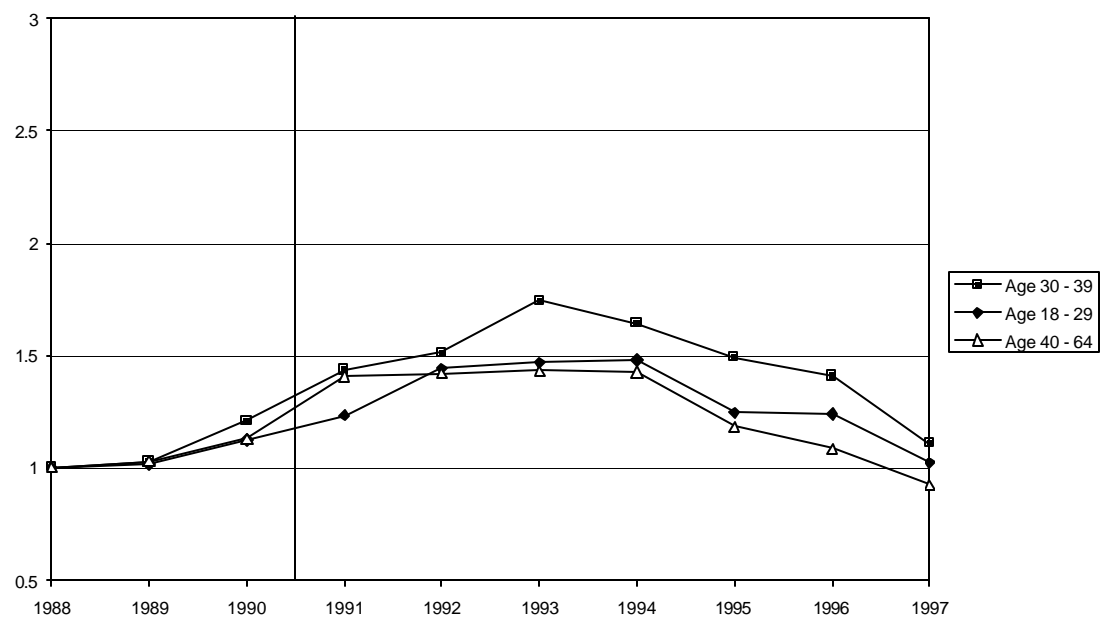
B. By Age

Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

Texas is currently operating its TANF program under federally approved welfare waiver, Achieving Change for Texans (ACT), which it received in March 1996. Very few of ACT's provisions were implemented statewide prior to the passage of PRWORA.

Appendix Exhibit D.16:
National Data, 1988 – 1997

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Population (millions) Female	76.4	77.0	77.6	78.3	79.0	79.7	80.4	81.1	81.9	82.7
Male	74.5	75.2	76.0	76.7	77.6	78.3	79.0	79.8	80.6	81.5
Age 18 - 29	48.7	48.0	47.4	46.8	46.1	45.4	44.7	44.3	44.0	44.0
Age 30 - 39	40.5	41.2	42.0	42.7	43.3	43.8	44.1	44.1	43.9	43.4
Age 40 - 64	61.8	63.0	64.2	65.5	67.2	68.8	70.6	72.5	74.5	76.8
SSI Applications (thousands) Female	431.4	439.9	495.2	636.0	705.7	766.0	756.4	698.8	663.3	583.3
Male	454.7	470.0	538.7	680.8	743.9	798.4	768.8	693.6	636.1	549.9
Age 18 - 29	196.2	195.0	218.9	259.4	294.7	323.6	315.4	284.9	262.0	217.2
Age 30 - 39	197.8	212.1	252.0	317.9	365.0	413.2	402.4	367.1	331.9	278.0
Age 40 - 64	492.1	502.8	563.1	739.5	790.0	827.6	807.3	740.4	705.5	638.0
Total SSI Applications per 10,000 Population	58.7	59.8	67.3	85.0	92.6	99.0	95.7	86.5	80.0	69.0
Age-adjusted Applications per 10,000 Population	59.1	60.0	67.3	84.7	91.9	98.1	94.5	85.3	78.6	67.5
AFDC Caseload per 10,000 Population	42.4	42.9	45.6	50.6	54.2	56.1	56.1	56.6	53.4	
Unemployment Rate	5.5	5.3	5.6	6.9	7.5	6.9	6.1	5.6	5.4	5.0

Appendix Exhibit D.17:
State Data, 1988 – 1997

			1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
California	Applications per	Female	1.04	1.12	1.24	1.52	1.62	1.69	1.54	1.44	1.28	1.08
	Expected Application	Male	1.04	1.13	1.28	1.56	1.72	1.78	1.68	1.45	1.27	1.01
		Age 18 - 29	0.87	0.92	1.04	1.17	1.34	1.50	1.47	1.32	1.12	0.91
		Age 30 - 39	1.00	1.14	1.33	1.61	1.74	1.93	1.76	1.55	1.31	1.04
		Age 40 - 64	1.14	1.22	1.34	1.66	1.78	1.75	1.61	1.44	1.31	1.09
	Unemployment Rate		5.30	5.10	5.80	7.70	9.30	9.40	8.60	7.80	7.20	6.30
	AFDC Caseload per 10,000 Population		1.24	1.26	1.36	1.52	1.64	1.76	1.86	2.00	1.97	
Connecticut	Applications per	Female	0.55	0.59	0.68	0.94	0.99	1.08	1.05	1.07	1.13	0.91
	Expected Application	Male	0.58	0.66	0.82	1.01	1.05	1.12	1.14	1.04	1.00	0.81
		Age 18 - 29	0.70	0.80	0.96	1.05	1.17	1.20	1.36	1.32	1.45	1.19
		Age 30 - 39	0.64	0.75	0.93	1.21	1.20	1.30	1.33	1.21	1.33	1.00
		Age 40 - 64	0.48	0.51	0.61	0.85	0.90	0.99	0.93	0.92	0.87	0.73
	Unemployment Rate		5.20	6.80	7.60	6.30	5.60	5.50	5.70	5.10	5.70	5.10
	AFDC Caseload per 10,000 Population		0.69	0.73	0.84	1.00	1.07	1.13	1.19	1.31	1.27	
Florida	Applications per	Female	0.89	0.95	1.09	1.57	1.82	2.01	1.94	1.82	1.70	1.43
	Expected Application	Male	0.93	1.02	1.18	1.64	1.83	1.93	1.92	1.79	1.68	1.38
		Age 18 - 29	0.90	0.97	1.12	1.37	1.59	1.92	1.98	1.79	1.76	1.37
		Age 30 - 39	0.93	1.06	1.26	1.66	1.99	2.18	2.19	2.10	1.90	1.61
		Age 40 - 64	0.91	0.97	1.10	1.67	1.84	1.91	1.82	1.71	1.60	1.34
	Unemployment Rate		5.00	5.60	6.00	7.40	8.30	7.00	6.60	5.50	5.10	4.80
	AFDC Caseload per 10,000 Population		0.60	0.64	0.73	0.90	1.19	1.27	1.22	1.20	1.11	
Indiana	Applications per	Female	1.30	1.31	1.40	1.92	2.09	2.10	1.97	1.81	1.80	1.58
	Expected Application	Male	1.21	1.24	1.39	1.83	2.01	1.96	1.72	1.55	1.46	1.30
		Age 18 - 29	1.06	1.08	1.20	1.49	1.74	1.88	1.74	1.54	1.49	1.25
		Age 30 - 39	1.17	1.25	1.40	1.86	2.01	2.12	1.98	1.80	1.69	1.49
		Age 40 - 64	1.37	1.36	1.47	2.03	2.17	2.05	1.82	1.68	1.65	1.48
	Unemployment Rate		5.80	5.50	5.50	5.00	7.00	5.80	5.20	4.90	4.60	4.50
	AFDC Caseload per 10,000 Population		0.83	0.87	0.96	1.12	1.23	1.25	1.23	1.25	1.16	
Illinois	Applications per	Female	1.06	1.06	1.16	1.49	1.69	1.73	1.65	1.38	1.14	1.00
	Expected Application	Male	1.28	1.31	1.45	1.80	2.13	2.16	2.01	1.56	1.18	1.05
		Age 18 - 29	1.26	1.29	1.50	1.86	2.26	2.54	2.56	2.02	1.54	1.20
		Age 30 - 39	1.27	1.38	1.57	1.98	2.58	2.61	2.49	1.89	1.44	1.19
		Age 40 - 64	1.10	1.07	1.14	1.44	1.53	1.50	1.35	1.14	0.94	0.92
	Unemployment Rate		6.80	6.00	6.20	7.20	7.60	7.50	5.70	5.20	5.30	4.70
	AFDC Caseload per 10,000 Population		1.17	1.12	1.15	1.23	1.25	1.28	1.33	1.38	1.34	
Iowa	Applications per	Female	0.76	0.71	0.79	1.00	1.15	1.23	1.16	1.11	1.06	0.87
	Expected Application	Male	0.80	0.71	0.83	1.09	1.25	1.17	1.20	1.07	0.93	0.81
		Age 18 - 29	1.01	0.94	1.12	1.28	1.42	1.44	1.54	1.48	1.25	1.19
		Age 30 - 39	0.79	0.78	0.94	1.29	1.36	1.52	1.47	1.56	1.54	1.11
		Age 40 - 64	0.70	0.61	0.66	0.88	1.07	1.02	0.98	0.81	0.75	0.66
	Unemployment Rate		4.50	4.30	4.30	4.60	4.70	4.00	3.70	3.50	3.80	3.30
	AFDC Caseload per 10,000 Population		0.87	0.83	0.84	0.86	0.89	0.90	0.97	0.92	0.85	
Massachusetts	Applications per	Female	0.76	0.71	0.79	1.00	1.15	1.23	1.16	1.11	1.06	0.87
	Expected Application	Male	0.80	0.71	0.83	1.09	1.25	1.17	1.20	1.07	0.93	0.81
		Age 18 - 29	1.01	0.94	1.12	1.28	1.42	1.44	1.54	1.48	1.25	1.19
		Age 30 - 39	0.79	0.78	0.94	1.29	1.36	1.52	1.47	1.56	1.54	1.11
		Age 40 - 64	0.70	0.61	0.66	0.88	1.07	1.02	0.98	0.81	0.75	0.66
	Unemployment Rate		3.30	4.00	6.00	9.10	8.60	6.90	6.00	5.40	4.30	4.00
	AFDC Caseload per 10,000 Population		0.84	0.87	0.94	1.06	1.12	1.16	1.13	1.07	0.97	
Michigan	Applications per	Female	0.82	0.80	0.92	1.39	1.44	1.64	1.55	1.23	1.10	1.05
	Expected Application	Male	0.84	0.81	0.95	1.33	1.47	1.73	1.48	1.14	0.98	0.88
		Age 18 - 29	0.96	0.96	1.13	1.46	1.81	2.34	2.08	1.74	1.54	1.39
		Age 30 - 39	0.84	0.87	1.07	1.45	1.77	2.22	2.05	1.55	1.26	1.22
		Age 40 - 64	0.77	0.72	0.81	1.28	1.21	1.26	1.13	0.88	0.81	0.75
	Unemployment Rate		7.60	7.10	7.60	9.30	8.90	7.10	5.90	5.30	4.90	4.20
	AFDC Caseload per 10,000 Population		1.41	1.42	1.48	1.52	1.51	1.56	1.50	1.39	1.26	

Appendix Exhibit D.17: (Continued)
State Data, 1988 – 1997

			1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
New York	Applications per	Female	1.08	1.06	1.15	1.36	1.45	1.63	1.62	1.67	1.55	1.38
	Expected Application	Male	1.06	1.06	1.20	1.42	1.59	1.70	1.66	1.67	1.51	1.28
		Age 18 - 29	1.02	1.02	1.10	1.36	1.55	1.80	1.82	1.82	1.70	1.44
		Age 30 - 39	1.13	1.13	1.29	1.48	1.76	1.95	1.89	1.94	1.79	1.55
		Age 40 - 64	1.07	1.05	1.16	1.37	1.42	1.52	1.49	1.53	1.39	1.23
	Unemployment Rate		4.20	5.10	5.30	7.30	8.60	7.80	6.90	6.30	6.20	6.40
	AFDC Caseload per 10,000 Population		1.14	1.14	1.18	1.29	1.38	1.53	1.61	1.72	1.65	
Ohio	Applications per	Female	0.91	0.91	1.02	1.34	1.53	1.62	1.58	1.47	1.34	1.09
	Expected Application	Male	0.88	0.90	1.04	1.35	1.45	1.58	1.44	1.27	1.13	0.91
		Age 18 - 29	1.08	1.07	1.21	1.57	1.83	2.08	2.12	1.91	1.88	1.37
		Age 30 - 39	0.97	1.01	1.20	1.57	1.88	2.15	2.01	1.78	1.60	1.33
		Age 40 - 64	0.79	0.80	0.90	1.18	1.23	1.25	1.14	1.06	0.92	0.79
	Unemployment Rate		6.00	5.50	5.70	6.40	7.30	6.50	5.50	4.80	4.90	4.60
	AFDC Caseload per 10,000 Population		1.30	1.29	1.32	1.43	1.53	1.50	1.45	1.39	1.29	
Oregon	Applications per	Female	0.83	0.76	0.80	1.15	1.05	1.24	1.17	1.13	1.14	0.92
	Expected Application	Male	0.83	0.78	0.85	1.15	1.20	1.27	1.28	1.10	0.93	0.89
		Age 18 - 29	0.99	0.90	0.97	1.36	1.22	1.27	1.42	1.36	1.23	1.13
		Age 30 - 39	0.87	0.83	0.86	1.11	1.24	1.59	1.54	1.48	1.28	1.15
		Age 40 - 64	0.76	0.70	0.76	1.10	1.06	1.12	1.06	0.93	0.90	0.77
	Unemployment Rate		5.80	5.70	5.60	6.10	7.60	7.30	5.40	4.80	5.90	5.80
	AFDC Caseload per 10,000 Population		0.73	0.75	0.78	0.89	0.94	0.96	0.92	0.89	0.76	
Pennsylvania	Applications per	Female	0.83	0.83	0.87	1.07	1.19	1.32	1.45	1.32	1.28	1.21
	Expected Application	Male	0.84	0.84	0.92	1.15	1.15	1.32	1.41	1.30	1.18	0.99
		Age 18 - 29	0.91	0.91	1.02	1.25	1.37	1.55	1.53	1.56	1.48	1.32
		Age 30 - 39	0.88	0.90	1.00	1.21	1.37	1.54	1.71	1.56	1.50	1.37
		Age 40 - 64	0.80	0.78	0.82	1.03	1.03	1.16	1.30	1.15	1.07	0.96
	Unemployment Rate		5.10	4.50	5.40	7.00	7.60	7.10	6.20	5.90	5.30	5.20
	AFDC Caseload per 10,000 Population		0.96	0.94	0.98	1.05	1.10	1.14	1.18	1.20	1.15	
Texas	Applications per	Female	1.05	1.08	1.20	1.51	1.59	1.67	1.71	1.42	1.32	1.13
	Expected Application	Male	1.08	1.11	1.24	1.45	1.50	1.56	1.48	1.29	1.22	0.99
		Age 18 - 29	0.87	0.89	0.98	1.08	1.26	1.28	1.29	1.09	1.08	0.89
		Age 30 - 39	0.93	0.96	1.13	1.34	1.41	1.63	1.53	1.39	1.31	1.03
		Age 40 - 64	1.21	1.25	1.37	1.71	1.72	1.73	1.72	1.43	1.31	1.12
	Unemployment Rate		7.30	6.70	6.30	6.70	7.70	7.20	6.40	6.00	5.60	5.40
	AFDC Caseload per 10,000 Population		0.63	0.68	0.79	0.89	0.96	0.99	1.00	0.99	0.92	
Washington	Applications per	Female	0.89	0.91	0.89	1.00	1.05	1.11	1.17	1.02	1.02	0.85
	Expected Application	Male	0.89	0.92	0.91	0.98	1.05	1.11	1.14	1.04	0.89	0.77
		Age 18 - 29	1.06	1.02	0.99	1.12	1.11	1.41	1.36	1.28	1.24	1.07
		Age 30 - 39	0.92	0.96	0.99	1.07	1.20	1.27	1.35	1.23	1.18	0.93
		Age 40 - 64	0.82	0.86	0.84	0.91	0.96	0.96	1.01	0.88	0.79	0.69
	Unemployment Rate		6.20	6.20	4.90	6.40	7.60	7.60	6.40	6.40	6.50	4.80
	AFDC Caseload per 10,000 Population		1.01	1.03	1.06	1.15	1.22	1.26	1.26	1.31	1.28	
Wisconsin	Applications per	Female	0.85	0.82	0.91	0.95	0.99	1.17	1.21	1.13	0.93	0.77
	Expected Application	Male	0.89	0.87	0.97	0.89	0.92	1.07	1.14	0.95	0.81	0.66
		Age 18 - 29	1.20	1.14	1.30	1.14	1.36	1.69	1.87	1.66	1.42	1.07
		Age 30 - 39	0.98	0.96	1.12	1.10	1.19	1.43	1.58	1.33	1.17	0.92
		Age 40 - 64	0.69	0.69	0.74	0.77	0.73	0.81	0.80	0.74	0.60	0.55
	Unemployment Rate		4.30	4.40	4.40	5.50	5.20	4.70	4.70	3.70	3.50	3.70
	AFDC Caseload per 10,000 Population		1.14	1.06	1.04	1.05	1.06	1.04	1.00	0.99	0.81	

Appendix Exhibit D.18:
Comparison of Adult SSI Disability Applications per 10,000 Population Based on
Application Tabulations from Two Sources

	Female			Male		
	10% SSR 1/	**DRF 2/**	**Difference**	**10% SSR 1/**	**DRF 2/**	**Difference**
1991	78.64	81.25	0.03	87.44	88.76	0.01
1992	86.66	89.32	0.03	94.04	95.90	0.02
Growth	10.19%	9.93%	0.26	7.56%	8.04%	0.49

1/ These data were tabulated by SSA staff from the 10% Supplemental Security Record.

2/ These data were tabulated from 100% of the applications records in the Office of Disabilities, Disability Research File. See Lewin (1995b).

APPENDIX EXHIBIT D.19
VARIABLE DEFINITIONS

DEPENDENT VARIABLES				
Variable	Description	Data	Construction	Dates
DLNA1829	Change in the natural log of annual applications from 18 to 29- year-olds.	Annual applications data from *SSA Disability Research File 2 Tabulations* (1988- 1990) and *SSA 10% Supplemental Security Record Tabulations* (1991- 1997)	Change in the log of annual applications divided by expected annual applications in the age group from the previous to current year.	1989-1996
DLNA3039	Change in the natural log of annual applications from 30 to 39- year-olds.	Annual applications data from *SSA Disability Research File 2 Tabulations* (1988- 1990) and *SSA 10% Supplemental Security Record Tabulations* (1991- 1997)	Change in the log of annual applications divided by expected annual applications in the age group from the previous to current year.	1989-1996
DLNA4064	Change in the natural log of annual applications from 40 to 64- year-olds.	Annual applications data from *SSA Disability Research File 2 Tabulations* (1988- 1990) and *SSA 10% Supplemental Security Record Tabulations* (1991- 1997)	Change in the log of annual applications divided by expected annual applications in the age group from the previous to current year. Applications from 40 to 64- year-olds are calculated by subtracting applications from 18 to 39-year-olds from the total male and female applications.	1989-1996
DLNFAPP	Change in the natural log of annual applications from females.	Annual applications data from *SSA Disability Research File 2 Tabulations* (1988- 1990) and *SSA 10% Supplemental Security Record Tabulations* (1991- 1997)	Change in the log of annual applications divided by expected annual applications among females from the previous to the given year.	1989-1996
DLNMAPP	Change in the natural log of annual applications from males	Annual applications data from *SSA Disability Research File 2 Tabulations* (1988- 1990) and *SSA 10% Supplemental Security Record Tabulations* (1991- 1997)	Change in the log of annual applications divided by expected annual applications among females from the previous to the given year.	1989-1996

"EXPECTED" APPLICATION VARIABLES				
Variable	Description	Data	Construction	Dates
EA1829	Expected applications from 18 to 29-year-olds in a given state in a given year. Used to calculate the final dependent variable in regression.	Annual applications data from *SSA Disability Research File 2 Tabulations* (1988- 1990) and *SSA 10% Supplemental Security Record Tabulations* (1991- 1997)	National application rate in 1988 (Applications from the age group/ Population of that age group) times the population of the state in a given year.	1989-1996
EA3039	Expected applications from 30to 39- year-olds in a given year. to calculate the final dependent variable in regression.	Annual applications data from *SSA Disability Research File 2 Tabulations* (1988- 1990) and *SSA 10% Supplemental Security Record Tabulations* (1991- 1997)	National application rate in 1988 (Applications from the age group/ Population of that age group) times the population of the state in a given year.	1989-1996
EA4064	Expected applications from 40 to 64- year-olds in a given year. Used to calculate the final dependent variable in regression.	Annual applications data from *SSA Disability Research File 2 Tabulations* (1988- 1990) and *SSA 10% Supplemental Security Record Tabulations* (1991- 1997)	National application rate in 1988 (Applications from the age group/ Population of that age group) times the population of the state in a given year.	1989-1996
EAF	Expected applications from females in a given year. Used to calculate the final dependent variable in regression.	Annual applications data from *SSA Disability Research File 2 Tabulations* (1988- 1990) and *SSA 10% Supplemental Security Record Tabulations* (1991- 1997)	Sum across age groups of the national application rate for women in each age group(18- 29, 30-39, 40- 64) in 1988 (female applications/ Female population) times the female population of the state in the age group in a given year.	1989-1996
EAM	Expected applications from males in a given year. Used to calculate the final dependent variable in regression.	Annual applications data from *SSA Disability Research File 2 Tabulations* (1988- 1990) and *SSA 10% Supplemental Security Record Tabulations* (1991- 1997)	Sum across age groups of the national application rate for men in each age group (18- 29, 30 – 39, 40 – 64) in 1988 (Male applications, / Male population) times the male population of the state in the age group in a given year.	1989-1996

DEMOGRAPHIC VARIABLES				
Variable	Description	Data	Construction	Dates
Population Characteristics				
FPOPxxxx, MPOPxxxx, and TPOPxxxx Variables	Multiple state population measures by age and sex (female, male, and total), where FPOP is female population, MPOP is male population, TPOP is total population, and xxxx is the age range of the variable [e.g., FPOP2024 (females aged 20-24), MPOPLT5 (males aged 0-4), TPOPGE65 (total population 65 and over), TOTPOP (total population)].	*U.S. Census Bureau* Estimates of the Population of the U.S., Regions, Divisions, and States by 5-Year Age Groups and Sex data were downloaded from Bureau of Census web page. http://www.census.gov/population/www/estimates/statepop.html	Age brackets for female, male, and total population data are: 0-4 years, 5-9 years, 10-14 years, 15-19 years, 20-24 years, 25-29 years, 30-34 years, 35-39 years, 40-44 years, 45-49 years, 50-54 years, 55-59 years, 60-64 years, 65-69 years, 70-74 years, 75-79 years, 80-84 years, and over 85 years; 16-24 years, 25-34 years, 35-44 years, 45-54 years, 55-64 years, and over 65 years. Age brackets for total population data also include: 45-64 years, 65-74 years, and over 75 years. Population for age bracket 18-29 year is derived by multiplying the population from age bracket 15 – 19 years by 2/5. Annual state population data expanded to a quarterly series using SAS/ETS PROC EXPAND with observed= middle and method= spline options.	1976.1-1997.4
IMMGTOTL	Estimated total immigration by state in given quarter.	Total number of legal immigrants in given fiscal year, 1989-1994, obtained from the Immigration and Naturalization Service. http://www.ins.usdoj.gov/	Fiscal year data expanded to a quarterly series using SAS/ETS PROC EXPAND with from=year.10, observed=total, method=join, and transformout=(floor>=0) options.	1978.1-1996.4
IMMGIRCA	Estimated total number of illegal aliens legalized under the Immigration Reform and Control Act of 1986 by state in given quarter.	Illegal aliens per capita legalized under IRCA-1986 in given fiscal year, 1989-1994, obtained from the Immigration and Naturalization Service. http://www.ins.usdoj.gov/	Fiscal year data expanded to a quarterly series using SAS/ETS PROC EXPAND with from=year.10, observed=total, method=join, and transformout=(floor>=0) options. Expanded series then divided by expanded total state population.	1989.1-1996.4
AIDSNM	AIDS cases and annual incidence rates per 100,000 population	Data obtained from Centers for Disease Control, HIV/AIDS Surveillance Report, selected years 1985-1997. http://www.cdc.gov/nchstp/hiv_aids/stats/hasrlink.htm	No adjustment is made to the data.	1985-1997

DEMOGRAPHIC VARIABLES (CONTINUED)				
Variable	Description	Data	Construction	Dates
Vital Statistics				
MARRIAGE	Natural log of marriages by state in given quarter.	Annual number of marriages by state, 1978-1994, obtained from various Vital and Health Statistics publications, NCHS.	Annual values were interpolated for some years in some states when data were unavailable. Annual data are expanded to a quarterly series using SAS/ETS PROC EXPAND with observed=total and method=spline options.	1978.1-1994.4
DIVORCE	Natural log of divorces by state in given quarter.	Annual number of divorces by state, 1978-1994, obtained from various Vital and Health Statistics publications, NCHS.	Annual values were interpolated for some years in some states when data were unavailable. Annual data are expanded to a quarterly series using SAS/ETS PROC EXPAND with observed=total and method=spline options.	1978.1-1994.4
OOWBIRTH	Natural log of out-of-wedlock births by state in given quarter.	Annual number of out-of-wedlock by state, 1978-1994, obtained from various Vital and Health Statistics publications, NCHS.	Annual data are expanded to a quarterly series using SAS/ETS PROC EXPAND with observed=total and method=spline options.	1978.1-1994.4

LABOR MARKET VARIABLES				
Variable	Description	Data	Construction	Dates
TOTEMPPC	Natural log of employment per capita ages 16-64 in given quarter.	Data used in creation of variable: 1) Quarterly employment rate data by state, 1976.1-1995.4, obtained from Current Employment Statistics, Bureau of Labor Statistics. 2) Annual state population data by age and sex obtained from the Bureau of the Census.	Equal to natural logarithm of the ratio of total employment per 1000 people ages 16-64.	1976.1-1994.4
URATE	Natural Log of state unemployment rate in a given quarter	Data obtained from Local Area Unemployment Statistics at the Bureau of Labor Statistics website. http://WWW.BLS.GOV/sahome.html	Equal to natural logarithm of the non-seasonally adjusted unemployment rate in each state in each quarter.	1978.1–1997.12
TRADE	Natural log of trade employment in given quarter.	Monthly trade employment rate data by state, 1976.1-1995.4, obtained from Current Employment Statistics, Bureau of Labor Statistics.	Quarterly figures are obtained from averaging monthly rates.	1976.1-1997.4
TRADEPC	Natural log of trade employment per capita ages 16-64 in given quarter.	Data used in creation of variable: 1) Monthly trade employment rate data by state, 1976.1-1995.4, obtained from Current Employment Statistics, Bureau of Labor Statistics. 2) Annual state population data by age and sex obtained from the Bureau of the Census.	Equal to natural logarithm of the ratio of trade employment per 1000 people ages 16-64.	1976.1-1997.4
MANUFACT	Natural log of manufacturing employment in given quarter.	Quarterly manufacturing employment rate data by state, 1976.1-1995.4, obtained from Current Employment Statistics, Bureau of Labor Statistics.	No adjustments made before taking log of raw data.	1976.1-1994.4
MANFCTPC	Natural log of manufacturing employment per capita ages 16-64 in given quarter.	Data used in creation of variable: 1) Quarterly manufacturing employment rate data by state, 1976.1-1995.4, obtained from Current Employment Statistics, Bureau of Labor Statistics. 2) Annual state population data by age and sex obtained from the Bureau of the Census.	Equal to natural logarithm of the ratio of manufacturing employment per 1000 people ages 16-64.	1976.1-1994.4

LABOR MARKET VARIABLES (CONTINUED)				
Variable	Description	Data	Construction	Dates
RTLWAGE	Natural log of the real average weekly retail wage in given quarter (1990 dollars).	ES-202 annual state data series, 1978-1994, obtained from the Bureau of Labor Statistics. Contact: Mike Buso, (202) 606-6567.	Annual data are expanded to a quarterly series using SAS/ETS PROC EXPAND observed=average and method=spline options. Nominal dollar values deflated by regional CPI-Us (1990=100).	1978.1-1994.4
MANWAGE	Natural log of the real average weekly manufacturing wage (1990 dollars).	ES-202 annual state data series, 1978-1994, obtained from the Bureau of Labor Statistics. Contact: Mike Buso, (202) 606-6567.	Annual data are expanded to a quarterly series using SAS/ETS PROC EXPAND observed=average and method=spline options. Nominal dollar values deflated by regional CPI-Us (1990=100).	1978.1-1994.4
UINSUR	Log of the quotient of the insured unemployment rate divided by the unemployment rate.	Quarterly total and insured unemployment rate data by state from the Bureau of Labor Statistics via BLS web site.	Variable calculated by dividing insured unemployment rate by total unemployment rate and taking log of the resulting quotient.	1978.1-1995.4
CPI90	CPI-Us for four Census regions, 1990=100.	Data for regional CPI were downloaded from the Bureau of Labor Statistics web site.	Base changed from 1982-1984=100 to 1990=100.	1978.1-1998.4
LFP	Labor Force Participation in a given year.	Monthly and annual labor force participation data by state, 1978.1 – 1998.10, obtained from Local Area Unemployment Statistics, Bureau of Labor Statistics website.	No adjustment made.	1978.1-1998.10
LFPR	Log of labor force participation per capita ages 16 – 64 in a given year.	Data used in creation of the variable: 1) Monthly and annual labor force participation data by state, 1978.1 – 1998.10, obtained from Local Area Unemployment Statistics, Bureau of Labor Statistics website. 2)Annual state population data by age and sex from the Bureau of the Census website.	Natural logarithm of the ratio of persons participating in the labor force per 1,000 people in ages 16 – 64.	1978.1-1998.10

AFDC PROGRAM VARIABLES				
Variable	Description	Data	Construction	Dates
AFDC and Food Stamp Program Benefit Variables				
MMB	Natural log of maximum monthly benefit including the value of Food Stamps payable to a three-person AFDC family during given quarter (1990 dollars).	Data used in creation of variable: 1) Typical maximum monthly AFDC benefit data compiled annually prior to 1982.3 and quarterly thereafter by the Administration for Children and Families (ACF). 2) Annual fiscal year Food Stamp maximum benefit and standard deduction data obtained from Food Stamp Program Information Division, Programs Reports and Analysis Branch.	Equal to the nominal maximum monthly AFDC benefit for a three person family plus the nominal value of Food Stamps awarded when net income equals the maximum monthly AFDC benefit. Deflated to real dollars using the regional CPI-U (1990=100).	1979.1 - 1997.4
MAXPAY	Natural log of typical maximum monthly AFDC benefit payable to a three-person family during given quarter (1990 dollars).[74]	Data are annual from 1979-1983 and quarterly thereafter. Data were obtained from the Administration for Children and Families (ACF). Contact: Evelyn Mills, (202) 401-4055. Semi-annual maximum monthly AFDC benefit data compiled from 1979 to 1994 also obtained from the Congressional Research Service (CRS).	Quarterly values were interpolated from annual data from 1979-1983 based on analysis of trends in typical maximum payments after 1983.). The ACF data were checked against the CRS maximum monthly data. When a discrepancy appeared between the two series, an effort was made to explain the discrepancy and include the appropriate data. Deflated to real dollars using the regional CPI-U (1990=100).	1979.1-1994.4
NEED3	Natural log of AFDC need standard for a three-person family during given quarter (1990 dollars).	Data are annual from 1979-1983 and quarterly thereafter. Data were obtained from the Administration for Children and Families (ACF). Contact: Evelyn Mills, (202) 401-4055. Semi-annual AFDC need standard data compiled from 1979 to 1994 also obtained from the Congressional Research Service (CRS).	Quarterly values were interpolated from annual data from 1979-1983 based on analysis of trends in typical maximum payments after 1983.). The ACF data were checked against the CRS maximum monthly data. When a discrepancy appeared between the two series, an effort was made to explain the discrepancy and include the appropriate data. Deflated to real dollars using the regional CPI-U (1990=100).	1979.1-1994.4

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[74] A given family's maximum AFDC benefit may differ from the state's "typical" benefit as calculated by the ACF due to factors such as: locality, housing arrangements, family composition, or special needs.

AFDC PROGRAM VARIABLES (CONTINUED)				
Variable	Description	Data	Construction	Dates
PAYSTAND	Natural log of AFDC payment standard for a three-person family during a given quarter (1990 dollars).	Data are annual (July) from 1979-1984 and semi-annual (January and July) from 1985-1994. Data were compiled by the Congressional Research Service and obtained either from various editions of *Green Book* and CRS reports. Contact: Carmen Solomon-Fears, (202) 707-7306.	Quarterly values were interpolated from annual and semi-annual data based on trends and changes in AFDC Typical Maximum Payment and Need Standard data. Deflated to real dollars using the regional CPI-U (1990=100).	1979.1-1994.4
EARNCUT	Natural log of monthly earnings at which AFDC benefit amount falls to zero (1990 dollars).	Data used in creation of variable: 1) Quarterly AFDC payment standard data interpolated from annual and semi-annual data obtained from various editions of *Green Book* and CRS reports. 2) Formulas used by states to calculate AFDC benefits obtained from the Congressional Research Service. 3) Data on the Earned Income Tax Credit program.	Calculated from the benefit formulas by setting benefits to zero and solving for countable income. Prior to 1981.4 and after 1984.3, EARNCUT is equal to countable income. In accordance with OBRA-81, however, EARNCUT from 1981.4 to 1984.3 is equal to countable income less the earned income tax credit at the calculated level of countable income. Deflated to real dollars using the regional CPI-U (1990=100).	1979.1-1994.4
CUTGIL	Continuous variable measuring effect of gross income limit at which family becomes ineligible for AFDC on the AFDC budget constraint.	Data used in creation of variable: 1) EARNCUT, see derivation above. 2) AFDC need standard data were obtained from the Administration for Children and Families (ACF).	CUTGIL is equal to the ratio of a state's AFDC earnings cutoff to the federal gross income limit. Prior to 1981.4, CUTGIL is equal to zero in all states because the gross income limit was, implicitly, infinity.	1979.1-1996.4
FOODADJ3	Food Stamp benefit for a three-person family receiving the typical maximum AFDC benefit (1990 dollars).	Data used in creation of variable: 1) Maximum Food Stamp benefit data for a three-person family obtained from the USDA. 2) Food Stamp program standard deduction data obtained from the USDA. 3) Typical maximum AFDC payment for a three-person family obtained from the ACF.	Equal to the maximum Food Stamp benefit for a three-person family less 30 percent of the difference of the typical maximum AFDC payment for a three-person family and the Food Stamp program standard deduction. Deflated to real dollars using the regional CPI-U (1990=100).	1979.1-1995.3
FOODSTP3	Maximum Food Stamp benefit for a three-person family (1990 dollars).	Fiscal year data obtained from Program Reports and Analysis Branch, Program Information Division, Food, Nutrition, and Consumer Services, USDA. Contact: Arthur Foley, (703) 305-2490.	Value of benefit constant within quarter. Maximum benefits in both Alaska and Hawaii differ from the single maximum benefit designated for all 48 contiguous states. Deflated to real dollars using the regional CPI-U (1990=100).	1979.1-1995.3

AFDC PROGRAM VARIABLES (CONTINUED)				
Variable	Description	Data	Construction	Dates
FSDEDUCT	Standard deduction taken from gross income used to determine the value of Food Stamp benefits (1990 dollars).	Fiscal year data obtained from Program Reports and Analysis Branch, Program Information Division, Food, Nutrition, and Consumer Services, USDA. Contact: Arthur Foley, (703) 305-2490.	Value of deduction constant within quarter. Standard deductions in both Alaska and Hawaii differ from the single standard deduction designated for all 48 contiguous states. Deflated to real dollars using the regional CPI-U (1990=100).	1979.1-1995.3
ATBRR	Average tax and benefit reduction rate between zero earnings and AFDC earnings cut-off.	Data used in creation of variable: 1) AFDC earnings cut-off (see above for derivation methodology). 2) Total disposable income at both AFDC earnings cut-off and zero earnings. 3) Maximum monthly benefit payable to a three-person AFDC family during given quarter, including the value of Food Stamps. 4) Data on EITC and FICA obtained from various editions of *Green Book* and *Social Security Bulletin, Annual Statistical Supplement.* 5) Formula provided by Gilbert Crouse, ASPE.	$ATBRR = 1 - (Y_1 - Y_0)/E_1$, where ATBRR is the average tax and benefit reduction rate, Y_1 is disposable income at the earnings cut-off, Y_0 is disposable income at zero earnings, and E_1 is the level of earnings at which AFDC benefits fall to zero. Disposable income equals: earnings + AFDC benefits + Food Stamp benefits + EITC - FICA.	1979.1-1996 .4
MTBRR	Marginal tax and benefit reduction rate at AFDC earnings cut-off.	Data used in creation of variable: 1) AFDC earnings cut-off (see above for derivation methodology). 2) Total disposable income at both AFDC earnings cut-off and $20 below AFDC earnings cut-off. 4) Data on EITC and FICA obtained from the various editions of *Green Book* and *Social Security Bulletin, Annual Statistical Supplement.* 5) Formula provided by Gilbert Crouse, ASPE.	$MTBRR = 1 - (Y_1 - Y_0)/(E_1 - E_0)$, where MTBRR is the marginal tax and benefit reduction rate $20 below the AFDC earnings cut-off, Y_1 is disposable income at the earnings cut-off, Y_0 is disposable income at $20 below the AFDC earnings cut-off, E_1 is the level of earnings at which AFDC benefits fall to zero, and E_0 is the level of earnings $20 below the AFDC earnings cut-off. Disposable income equals: earnings + AFDC benefits + Food Stamp benefits + EITC - FICA.	1979.1-1996 .4

AFDC PROGRAM VARIABLES (CONTINUED)				
Variable	Description	Data	Construction	Dates
AFDC Unemployed Parent Time-Limited Eligibility Variables				
UP12M	Dummy variable for effects of AFDC-UP programs with no time-limited eligibility.	Data used in creation of variable: 1) AFDC-UP program initiation and termination dates obtained from ACF. Contact: Evelyn Mills, (202) 401-4055. 2) AFDC-UP program time eligibility policy data obtained from *Characteristics of State Plans for Aid to Families with Dependent Children, 1990-1991 Edition*.	Equal to one in those quarters during which a state administers an AFDC-UP program with no time-limited eligibility. Otherwise, equal to zero.[75]	1978.1-1994.4
UP6M	Dummy variable for effects of AFDC-UP programs with time-limited eligibility.	Data used in creation of variable: 1) AFDC-UP program initiation and termination dates obtained from ACF. Contact: Evelyn Mills, (202) 401-4055. 2) AFDC-UP program time eligibility policy data obtained from *Characteristics of State Plans for Aid to Families with Dependent Children, 1990-1991 Edition*.	Equal to one in those quarters during which a state administers an AFDC-UP program limiting eligibility to six months out of every twelve months. Otherwise, equal to zero.[3,76]	1978.1-1994.4
AFDC Federal Requirement Variables				
JOBS	Dummy variable for implementation of state JOBS programs.	State JOBS program implementation dates obtained from *1991 Green Book*.	Equal to one in quarter during which a state implemented its JOBS program and all subsequent quarters. Equal to zero in all quarters prior to the quarter of implementation.	1978.1-1994.4
FSAUP1	Dummy variable for the federal mandate under FSA-1988 requiring states to implement AFDC-UP programs under.	Information obtained from ACF publication, *Characteristics of State Plans for Aid to Families with Dependent Children, 1990-1991 Edition*.	Equal to one from 1990.4 to 1994.4 for those states with no AFDC-UP program prior to the passage of FSA-1988 and required by FSA-1988 to establish an AFDC-UP program. Otherwise, equal to zero.	1978.1-1994.4

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[75] For Colorado, which has administered an AFDC-UP program limiting eligibility to nine months out of every twelve month period since 1990.4, UP12M and UP6M are both set equal to 0.5.

[76] Time-limited eligibility is a program option available only to those states that initiated an AFDC-UP program after the passage of FSA-88.

AFDC PROGRAM VARIABLES (CONTINUED)				
Variable	Description	Data	Construction	Dates
AFDC Federal Waiver Variables				
NOKIDS	Dummy variable for waiver provisions that reduce or eliminate AFDC benefits for children born or conceived while the family is receiving AFDC.	Data on AFDC federal waivers obtained from the Administration for Children and Families.	Equal to one for New Jersey from 1992.4 forward; for Georgia from 1994.1 forward; and, for Wisconsin from 1994.3 forward. Otherwise, equal to zero.	1978.1-1994.4
WORKREQ	Dummy variable for waiver provisions requiring AFDC recipients to engage in work, education or training activities outside of those under the state's JOBS program.	Data on AFDC federal waivers obtained from the Administration for Children and Families.	Equal to one for Utah from 1993.1 forward; for Oregon from 1993.1 forward; for Hawaii from 1994.1 forward; for Michigan from 1994.4 forward; and, for Connecticut from 1994.4 forward. Otherwise, equal to zero.	1978.1-1994.4
MEDEXPAN	Dummy variable for waiver provisions that extend transitional Medicaid benefits for an additional one to two years.	Data on AFDC federal waivers obtained from the Administration for Children and Families.	Equal to one for Virginia from 1993.4 forward; for Vermont from 1994.2 forward; and, for Connecticut from 1994.4 forward. Otherwise, equal to zero.	1978.1-1994.4
UP100	Dummy variable for waiver provisions that eliminate the 100-hour work limitation rule for AFDC-UP eligibility.	Data on AFDC federal waivers obtained from the Administration for Children and Families.	Equal to one for California from 1992.3 forward and for Connecticut from 1994.4 forward. Otherwise, equal to zero.	1978.1-1994.4
UP100WH	Dummy variable for waiver provisions that eliminate both the 100-hour work limitation rule and work history requirement for AFDC-UP eligibility.	Data on AFDC federal waivers obtained from the Administration for Children and Families.	Equal to one Michigan from 1992.4 forward; for Iowa from 1993.4 forward; for Illinois from 1993.4 forward; for Vermont from 1994.2 forward; and, for Wisconsin from 1994.2 forward. Otherwise, equal to zero.	1978.1-1994.4
$XX_{state}XX_{year}$	State Year Dummies for Pre-TANF AFDC waivers and GA cuts in selected states.		Variable has a value of 1 for the state in a given year if reform has taken place in the state that year, or in the 3 prior years, a value of 0 is assigned otherwise	1989-1996

OTHER PROGRAM VARIABLES				
Variable	Description	Data	Construction	Dates
MEDGAIN	Continuous variable estimating effect of federally mandated expansion of Medicaid benefits under OBRA-89 and OBRA-90 to low-income mothers and children who are not AFDC eligible.	Existing annual variable through 1993 obtained from Aaron Yelowitz (1995).	Variable equal to zero before implementation of OBRA-89 and OBRA-90. Afterwards, variable equal to the percentage of children under the age of 18 in each state and year that are eligible for the Medicaid expansion. Values in 1994 equal value of variable in 1993 for each state. Annual series expanded to quarterly series using SAS/ETS PROC EXPAND with observed=average, method=join, and transformout=(ceil>=0) options.	1978.1-1994.4
GACHNG	Continuos variable measuring the size of state general assistance caseload changes to major state level policy initiatives.	State general assistance caseload data obtained from the Administration for Children and Families (ACF) including ACF publications, *Quarterly Public Assistance Statistics* (1981-1993) and *Public Assistance Statistics* (1978-1980). GACHNG variable derived from GACUT variable previously constructed by The Lewin Group.	GACHNG variable set to zero in the first quarter of the sample period. When a general assistance (GA) cut or increase occurs in a state, the size of cut per capita is the difference between the average monthly GA caseload in the three months following the quarter in which the cut occurred and in the three months preceding that quarter divided by the state's population. GACHNG variable set equal to the resulting number from the quarter of the change through the quarter in which the next change occurs. Additional changes are added to previous change(s).	1978.1-1997.4
SSIBEN	Log of the maximum SSI payment, federal plus state supplement in given quarter (1990 dollars).	Data on SSI federal and state supplement benefits obtained from various editions of the Social Security Administration publication, *State Assistance Programs for SSI Recipients*.	Benefit rates became effective on July 1 from 1979 through 1983. From 1984 through 1995, benefit rates became effective January 1.	1978.1-1997.4

OTHER PROGRAM VARIABLES				
Variable	Description	Data	Construction	Dates
Child Support Enforcement Laws				
DIMMWITH	Dummy variable representing existence of immediate withholding statutes in given quarter.	See Gaylin, Daniel S. and McLanahan, Sara S. (1995). Data provided by Daniel S. Gaylin.	Specification assumes statute goes into effect on January 1 of given year. Equal to one if state has statute in effect in given quarter. Otherwise, equal to zero.	1978.1-1994.4
DMANWITH	Dummy variable representing existence of mandatory withholding statutes in given quarter.	See Gaylin, Daniel S. and McLanahan, Sara S. (1995). Data provided by Daniel S. Gaylin.	Specification assumes statute goes into effect on January 1 of given year. Equal to one if state has statute in effect in given quarter. Otherwise, equal to zero.	1978.1-1994.4
DPATLARM	Dummy variable representing existence of paternal long-arm statutes in given quarter.	See Gaylin, Daniel S. and McLanahan, Sara S. (1995). Data provided by Daniel S. Gaylin.	Specification assumes statute goes into effect on January 1 of given year. Equal to one if state has statute in effect in given quarter. Otherwise, equal to zero.	1978.1-1994.4
DPRESUMP	Dummy variable representing existence of presumptive guideline statutes in given quarter.	See Gaylin, Daniel S. and McLanahan, Sara S. (1995). Data provided by Daniel S. Gaylin.	Specification assumes statute goes into effect on January 1 of given year. Equal to one if state has statute in effect in given quarter. Otherwise, equal to zero.	1978.1-1994.4
Abortion Restrictions				
ABRTCAID	Dummy variable representing the existence of laws limiting Medicaid funding for abortions.	Merz, Jon F. , et al. *A Review of Abortion Policy: Legality, Medicaid Funding, and Parental Involvement, 1967-1994.* (Working Paper No.: DRU-1096-NICHD.) Rand, May 1995.	Equal to one if state enforces law limiting Medicaid funding for abortions in given quarter. Otherwise, equal to zero.	1978.1-1994.4
ABRTMINR	Dummy variable representing the existence of laws requiring parental consent and/or notification before a minor may obtain an abortion.	Merz, Jon F. , et al. *A Review of Abortion Policy: Legality, Medicaid Funding, and Parental Involvement, 1967-1994.* (Working Paper No.: DRU-1096-NICHD.) Rand, May 1995.	Equal to one if state enforces parental consent and/or notification limiting laws regulating minors access to abortion services in given quarter. Otherwise, equal to zero.	1978.1-1994.4
Year Dummies				
Y19XX	Dummy variable for the observation year.		Equal to 1 for the given year; Otherwise, equal to 0.	1989-1996